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Bonn Is Said To Prepare Spy Exchange

Release Is Expected For Brandt Ex-Aide

By John Tagliabue
New York Times Service

BONN — There were clear indications at the weekend that West Germany, in a wide-reaching exchange of East and West European intelligence agents, is to release the East German master spy whose activities led to the fall of the former chancellor, Willy Brandt.

The Bonn government would not deny newspaper reports Sunday that West German President Karl Carstens will sign documents releasing Günter Guillaume, 54, an East German army officer and agent of East Berlin's state security service. He became a close personal aide of Mr. Brandt in the early 1970s before he was arrested and sentenced to 13 years in prison for treason in 1975.

The reports said that in addition to Mr. Guillaume, several other East German spies now in East German prisons as well as East German and Soviet spies in jails in France, Denmark and South Africa would be freed, in exchange for as many as 35 West Germans now being held as political prisoners in East Germany.

According to reports, the release documents will be exchanged Monday.

Brezhnev Meeting Due

The exchange would come several weeks before Chancellor Helmut Schmidt is due to meet with Soviet President Leonid I. Brezhnev in Bonn and, shortly thereafter, with East German leader Erich Honecker.

The reports, which were not officially confirmed, said that Mr. Carstens would sign documents releasing Mr. Guillaume, who is known to be seriously ill, before leaving for a five-day state visit to Spain on Monday. The agreement will also allow about 3,000 East Germans to join relatives who fled their country and now live in West Germany, the reports said. West Germany is understood, in addition, to be paying a sum of money estimated to be in the hundreds of thousands of dollars; for the exchange, as has been customary in past exchange arrangements.

Mr. Guillaume's wife, Christel, who was given an eight-year sentence in 1975, was released last March. It is understood that France is to release East German Gen. Heinz-Bernhard Zorn, who was arrested in 1980 on espionage. Denmark is understood to be releasing the East German spy Jörg Meyer. Mr. Meyer is serving a six-year sentence for espionage. South Africa is said to be releasing (Continued on Page 2, Col. 5)

7th Inmate Ends Fast In Ulster; 6 Continue

United Press International

BELFAST — For the first time since the Maze Prison hunger strike began on March 1, more inmates have quit the fast than on Sunday when they were refusing food.

The decision Saturday by Liam McCloskey to accept medical treatment and in time food brought the number of hunger strike dropouts to seven. Six inmates, all members of the Irish Republican Army, continued to fast.

Mr. McCloskey, 25, of Durgin, ended his hunger strike voluntarily in his 55th day. "My son reluctantly ended his hunger strike, and did so after I convinced him that I would not let him die," said his mother, Philomena McCloskey, in a statement released by the Republican press center.

"I would intervene"

"I told him that I would intervene if he lapsed into a coma and it was better for him to come off the hunger strike now rather than run the risk of permanent damage to his eyesight or other vital organs."

"I asked the doctor in the prison to give Liam whatever medical

U.S. to Document Russia's Growing Military Strength

By Joseph Fitchett
International Herald Tribune

PARIS — A U.S. booklet on "Soviet Military Power," due for release this week, is a new departure in Reagan administration efforts to convince public opinion of the ominous implications that many U.S. and European government officials discern in the steady improvement in Soviet armed strength.

Defense Secretary Caspar W. Weinberger is expected to make the booklet public at a news conference Tuesday in Washington. Copies were obtained in advance by the International Herald Tribune and The New York Times.

Although specialists will find no major disclosures in it, the illustrated booklet provides a coherent overall picture for laymen, tracing the shift in Soviet armed strength from a defensive posture in the 1960s to offensive capabilities that have crystallized in the last few years.

These trends in Soviet power growth show no signs of leveling off, according to the booklet, because the Soviet Union's capability to sustain its arms buildup is rooted in basic economic and industrial policies.

No NATO Comparisons

There are no direct comparisons with NATO strength. A recent study of the arms balance by the independent International Institute for Strategic Studies in London said that although the outcome of an East-West conflict remains too risky for either side to expect victory, the West is in an inferior position in almost every category.

In "Soviet Military Power," the implication is that massed, modern Soviet arms cast a lengthening shadow both in Europe and in the nearby Third World areas — for both potential warfare and arms control. The U.S. government document accordingly buttresses the contentions of the Reagan administration about the need for Western rearmament.

U.S. and allied officials have acknowledged their concern in recent months over the impact of Soviet propaganda on West European protest movements that oppose U.S. missiles and increased military spending.

The booklet was prepared from U.S. intelligence analyses presented to cabinet members at NATO meetings to help Western officials counter this trend and publicly justify more vigorous military policies.

Czechs Reflect on Poland's Crisis

No Evidence of Contagion in Land of 'Prague Spring'

By Marvin Howe
New York Times Service

PRAGUE — Memories of the "Prague spring" of 1968 are so strong here that Czechoslovaks are watching the crisis in neighboring Poland with a feeling of having seen it all before.

But there is no evidence of direct contagion among Czechoslovak workers, the general public or even dissidents. "We learned our lesson," Czechoslovaks say repeatedly.

The Communist Party drives home that lesson at every opportunity. The party newspaper, Rude Pravo, has denounced Solidarity, the Polish independent trade union, as the same type of "counter-

To dramatize the Soviet threat to Western Europe, for example, an artist's drawing shows a Soviet SS-20 missile being fired from a camouflaged truck in a trench among trees in western Russia. The drawing — based on classified satellite photographs — is the first public picture of the new Soviet missile. In contrast, pictures of new U.S. missiles have been used in West German magazines to suggest that Western arms threaten world peace.

The booklet, heavily documented but low-key in tone, marshals statistics, descriptions of weaponry and analyses of Soviet military doctrine to show how the Soviet Union has systematically eliminated vulnerabilities, improved its ability to attack swiftly and extended its naval range and air force punch.

To make his case publicly, the Defense Department urged by European officials — persuaded U.S. intelligence agencies to release numerous details about Soviet military improvements — for example, the elaborate camouflage used by the mobile SS-20 missile, the performance characteristics of late-model Soviet fighters and the role of industrial theft from the West to modernize Soviet military technology.

"Soviet Military Power" asserts that the Kremlin is:

• Pursuing strategic superiority while ignoring Western arms control theories of parity based on mutual assured destruction.

• Coordinating all instruments at its disposal — "in much more comprehensive terms than commonly understood in the West" — to extend its influence by covert action, by proxy forces and by Soviet combat units.

• Mastering the means to move its armed forces effectively in crucial theaters including the Middle East and Africa. (The United States retains a commanding lead in long-distance transport and landing forces, but its units would have to travel much farther to reach these critical areas.)

• Overtaking with growing speed — by subordinating civilian economic needs to single-minded military pressure — the Western lead in basic military technology that has anchored NATO security.

Citing key developments, the booklet says that the destructive power of Soviet intercontinental missiles has continued to increase despite the SALT agreements. "Massive deployment programs in the late 1960s," the booklet says,

(Continued on Page 2, Col. 2)



Delegates gathered for the second round of the national congress of the Solidarity labor union in the port city of Gdansk.

Solidarity Chiefs Resist Critics at 2d Congress

By John Darnton
New York Times Service

WARSAW — Solidarity leaders fended off bitter attacks from the floor at the union's national congress Sunday, denying that they had exceeded their authority or given away too much in compromising with the government over workers' rights in running factories.

More than two dozen delegates rose to denounce the compromise, some in stinging terms. "This union was not created to make compromises, but to smash the totalitarian system in our country," asserted Jan Rulewski from Bydgoszcz, a leading militant.

The leaders argued back, asserting that the agreement was not a bad one, that some delegates' speeches smacked of electioneering for union office, and that what counted now above all was keeping Solidarity united.

"Don't think I'm a fool," said Lech Walesa, the Solidarity leader. "I have to ride the horses you've given me," he said, referring to the union's advisers who counseled him to accept the compromise.

The compromise was embodied in legislation on workers' self-management that was passed by parliament last week. It settles the sticky question of who appoints directors in factories and other enterprises: the workers or the state, by allowing both to propose candidates in all but strategic industries.

At the first phase of the congress earlier this month, the delegates took the position that workers alone, through their elected workers councils, should have the right to make managerial appointments. They also called on parliament to undertake a national referendum to ensure that any legislation on self-management would reflect the genuine wishes of the workers.

What upset some of the more radical chapter leaders was not just the compromise, but the way in which it was arrived at. The union itself offered the outlines of the agreement, a decision that was taken by only four members of the presidium of the ruling commission. Mr. Walesa was among the four.

Despite the angry tone of Sunday's speeches, which took a more personal turn than any during the session two weeks ago, union leaders and strategists were confidently predicting that the delegates would go along with the leadership and not repudiate the legislation.

Even so, some of the critics seemed to accept this, arguing that they had been presented with an accomplished fact. Only half a dozen, including Mr. Rulewski, advocated (Continued on Page 2, Col. 5)

Healey Defeats Benn In Close Vote in U.K.

The Associated Press

BRIGHTON, England — Denis Healey, a moderate, was re-elected deputy leader of Britain's deeply divided opposition Labor Party by a less than 1 percentage point Sunday night, turning back a strong challenge from Tony Benn, a left-winger.

That was a close call. Mr. Healey, 64, a pragmatic, middle-of-the-road socialist, said after the vote of the party's annual conference was announced before a packed hall in this Victorian seaside resort.

The fight for the party's No. 2 position symbolized the bitter struggle by Labor left-wingers for control of the 80-year-old party, which has ruled Britain for half the postwar era. And the narrow result left it in continued disarray.

Mr. Benn, 56, a former energy secretary, was widely expected to make another bid for the deputy leadership at the 1982 party conference.

Cannot Be Stopped

He said he would consult supporters, but added: "One thing is clear, the forces of Socialism and democracy cannot be stopped in Britain."

Mr. Healey said that he hoped Mr. Benn would "not continue to fight year after year on the same issues in the hope that he will exhaust people into compliance."

The deputy leader is sharply at odds with fundamental platforms at the conference, including unilateral nuclear disarmament and withdrawal from the European Economic Community.

But the victory by the moderate former chancellor of the exchequer probably averted an immediate threat of further Labor defections to the fledgling Social Democratic Party (SDP), formed in March by four former Labor Cabinet ministers in revolt at Labor's leftward lurch since its defeat in May, 1979, by the Conservatives of Margaret Thatcher.

Fifteen Labor legislators have defected to the SDP, which opinion polls indicate would, in alliance with the small Liberal Party, defeat both Labor and the Conservatives in a general election.

"We are going to see a lame-duck deputy leader," said William Rodgers, former transport secretary and one of the four SDP founders.

"We shall see again a repeat performance of this next year," he said. "The result at best will delay the tragic but inevitable disintegration of the Labor Party."

Mr. Healey edged to victory apparently on abstentions in the runoff by a handful of left-wing Labor members of Parliament who voted for an outsider, John Silkin, 58, who was eliminated in the first ballot.

Mr. Healey also benefited from a surprise support from the 600,000-member National Union of Public Employees, the nation's fourth largest union.

Mr. Benn would have had no chance under previous election rules that gave Labor legislators, who hold 254 seats in the 635-seat House of Commons, the sole right to choose party leaders. Conservatives have 355 seats in the Commons.

Under the new rules, pushed through in January by leftists, legislators had 30 percent of the vote. Trade union leaders, who founded the 80-year-old party and fund it, had 40 percent, and grassroots party officials, mainly leftists, 30 percent.

Union Support

Mr. Benn came within an inch of victory with support from the nation's biggest union, the Transport and General Workers Union.

Mr. Healey won two-thirds of legislators' votes in the runoff, while scoring only one-sixth of the party chapter vote. The 40 percent union vote went 25-15 to Mr. Healey in the runoff.

Labor leader Michael Foot, 67, made no immediate comment. But he made it clear during the months of campaigning that he did not want Mr. Benn and accused him of causing "the deep wounds inflicted on our movement."

Mr. Benn, whose views are much in line with a series of left-wing Labor conference votes since its electoral defeat, is committed to shutting all U.S. military bases in Britain, unilateral nuclear disarmament, withdrawal from the 10-nation European Economic Community, widespread nationalization and abolition of the House of Lords, private schools and private medicine.

Mr. Healey, who has said he would not serve in a Labor administration that expelled the U.S. military, declared during the weekend that Labor Party conference decisions were only a guide to party policy.

"These must be a beacon, not a refuge," he said.

Disarmament Commitment

Alex Kitson, the party chairman, told the 1,200 delegates at the conference opening that the party must this year give a "clear and unequivocal" commitment to unilateral nuclear disarmament.

"That is the only untried path to world peace is disarmament and we must tread that path while there is still time," Mr. Kitson said.

He described the U.S. decision to build neutron warheads as "cynical."

"You know when they [the United States] talk of a limited nuclear war, they mean limited to us."

White House Threatening Vetoes If New Budget Cuts Not Adopted

By Robert G. Kaiser
Washington Post Service

WASHINGTON — The Reagan administration has abruptly shifted tactics in its approach to Congress, threatening vetoes if the president's newest budget cuts are not adopted and tossing aside part of last winter's presidential promise to preserve a social "safety net" for the poor.

David A. Stockman, the director of the Office of Management and Budget, laid out the new hard line at a news conference on Friday, saying "the enforcement tool" to win the new Reagan cuts would be "33 percent plus one," a reference to the number of votes needed in either House or Senate to sustain a presidential veto.

Mr. Stockman also said the administration's safety net was a "term of art" and a matter of "definition." Asked about President Reagan's statement to Congress last February that the programs he had put on the safety net category were "exempt from cuts," Mr. Stockman said: "I'll check that language out. I don't think it reads quite that way." (The official weekly compilation of presidential documents confirms that it did.)

On Capitol Hill, members on all sides agreed that Mr. Reagan will have a far harder time winning passage of the new round of cuts than he did the first round last spring. Republicans were plainly uneasy that the president had produced a new plan for cuts that seemed politically so difficult to achieve.

Republican Sen. Jake Garn, of Utah, chairman of the Banking Committee, said in a characteristic remark that it was "unrealistic politically" for the president to think that all the government's spending programs apart from entitlements could be cut an additional 12 percent. This is what Mr. Reagan asked for in his speech to the nation Thursday night.

"Difficult Battle"

"I'll do all I can to support the president but it will be a much more difficult battle this time around," said Sen. Garn, a conservative.

Predictions of victory for the president were rare. One came from Rep. Robert H. Michel, the Illinois Republican who is the majority leader in the House, but he was vague on the question of whether the precise program Mr. Reagan outlined Thursday could win approval.

Howard H. Baker Jr., the Tennessee Republican who is the Senate majority leader, said he thought the new cuts would be passed, but added: "It's really going to be tough, especially for the additional cuts for 1982. It's always tough to go back and take the second cut, the second bite." Fiscal 1982 begins Thursday.

Sen. Bob J. Dole, Republican of Kansas, chairman of the Finance Committee, said Congress would want to cut projected military spending well beyond the \$2 billion Mr. Reagan has proposed for fiscal 1982. That \$2-billion cut would still leave military spending rising sharply. Rep. Michel and others also said they expected Congress to seek deeper military cuts.

Speaker Thomas P. O'Neill Jr. said he thought the Reagan program was now in "deep trouble." Rep. O'Neill, a Massachusetts Democrat, said the president would have "tremendous problems" holding the support of the conservative Democrats and moderate Republicans who gave him his big budget and tax victories (Continued on Page 2, Col. 6)

Insurgents and Islamic Guards Battle in Tehran

From Agency Dispatches

BEIRUT — Guerrillas firing rocket-propelled grenades and machine guns battled Revolutionary Guards in Tehran on Sunday and dozens of people were wounded, according to reports from Iran that seemed to indicate some of the worst anti-Khomeini fighting in months.

Tehran residents contacted by telephone from London said at least 10 persons were killed and 50 injured. Tehran radio, monitored in Beirut, reported 40 persons injured.

The radio blamed the clashes on the leftist Mujahaddin Khalq guerrilla group, which opposes Iran's clergy-dominated government. The fighting appeared to have followed demonstrations that Massoud Rajavi, the exiled Mujahaddin leader, said were to mark the executions of 300 leftists a week earlier.

Shooting was heaviest in Vajji-Asr, a thoroughfare in central Tehran with government buildings and several department stores. The avenue has been the scene of previous armed clashes between leftist opponents of clerical rule and Revolutionary Guards loyal to Ayatollah Ruhollah Khomeini.

As the shooting died down, the Revolutionary Guards carried out mass arrests, searching everyone on the streets, residents said. "There are clashes absolutely everywhere in central Tehran," said a resident reached by telephone from Beirut. "There is no

possible way to know how many people are involved."

The resident said anti-government fighters were "very well-organized. They have formed commando groups, ranger-style, and they are hitting with machine guns and anti-tank rockets" — shoulder-carried, rocket-propelled grenades.

Widespread Fighting

Residents said heavy street fighting was occurring a few blocks from several government ministries.

Sunday is the first time it has been reported that the guerrillas are trying to topple the Iranian regime possess rocket-grenades.

Tehran radio reported fighting between the Mujahaddin and government forces in "several areas."

The reports appeared to indicate some of the worst street fighting since President Abolhasan Bani-Sadr was deposed by the clergy-dominated Majlis on June 22.

The Mujahaddin have been blamed for hundreds of deaths of Islamic clergy and government officials, including Mr. Bani-Sadr's elected successor, Mohammed Ali Rajavi, in an Aug. 30 bombing that also killed Iran's premier.

The state-run radio, monitored here, said 2,000 Iraqi troops were captured in air and ground fighting around the southern city of Khuzestan province. The broadcast said ground forces, Revolutionary Guards, commandos and local militias launched the late-night assault on the northern side of Abadan, "marking the month-old siege of the city."

There was no immediate comment from Iraq on the Iranian claims. But Baghdad Radio earlier reported ground and air battles with the Iraqis in the area. Neither side allows journalists to report from the battlefield, so their war claims — which have often proven exaggerated — cannot be immediately confirmed. But a war communiqué broadcast by Baghdad Radio claimed 108 Iranian casualties during 24 hours.

Iran Claims Victory

NICOSIA (AP) — Iran on Sunday claimed its "biggest victory" in the year-long war with Iraq, reporting 600 Iraqi casualties in fierce fighting that recaptured the oil-refining city of Abadan, Tehran Radio said.



Denis Healey

Healey, 64, a pragmatic, middle-of-the-road socialist, said after the vote of the party's annual conference was announced before a packed hall in this Victorian seaside resort.

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Shah's Sister Despairs Over Violence in Iran

By Edward Cody
Washington Post Service

PARIS — From the sad luxury of a guarded Paris apartment, Princess Ashraf Pahlavi spends her days looking back at her twin brother's former empire, now the Islamic Republic of Iran, a country at war with itself.

Increasingly, as the Tehran government meets terrorist opposition with bloody retribution, the news from home brings grief, despair and more bitterness to a woman who shared the Shah's fight, his embarrassing search for a refuge and, she feels, his betrayal by former President Jimmy Carter.

"I would like to know," she said in an interview, "where are the human rights lawyers who in my brother's time were making such a fuss over a simple arrest or so-called infringements on freedom of the press and things like that? Where are they? Why are they keeping silent now? I would like to make an appeal to the world, to the international community. Why do they remain silent? Where is Amnesty International now?"

She added, in soft, subdued French: "It hurts me to see my people killed like this."

Although she is regal and elegant at 61, the princess looks to a visitor like she indeed has been hurt.

By the distance between Iran and its former monarchy, represented by the Shah's 21-year-old son, Reza, in his Cairo exile — "We need a military coup first. Then we can restore democracy and the constitution that we have had since 1906. We already have a king — Reza II — who succeeded his father legitimately."

By the Carter administration's refusal of her brother after Ayatollah Khomeini took over in Iran — "If my brother died so fast, if his death was before its time, it is because the Carter administration did not let him get proper medical treatment. I don't say there could have been a miracle, but he would have lived for five or six years more. And for that, it was the Carter administration, and I condemn them severely for that."

Carter, Brzezinski
Shah Mohammed Reza Pahlavi, stricken with cancer in several organs, died 13 months ago in a Cairo military hospital after an operation on his spleen.

In the princess's view, Mr. Carter and his national security adviser, Zbigniew Brzezinski, also deserve much of the blame for his downfall and the turmoil that has since gripped Iran.

things happened. Mr. Carter was in our house, and he gave so much praise to my brother, saying he was the greatest leader in the world and that we should follow his advice, and that Iran was an island of security," she said, recalling Mr. Carter's Tehran visit on New Year's Eve, 1977. "How could they think, six months later, that he was a tyrant and a despot and a dictator and that they had to get rid of him?"

The princess, who was reported to have played an active advisory role during her brother's final days on the throne, condemned what effort the Carter White House did make as bumbling and ineffective.

"Between Carter, Brzezinski and the State Department, there was never any coordination," she said, "and meanwhile, my country was coming apart."

equipped and trained for offensive chemical warfare than any other army. Soviet doctrine calls for the use of toxic chemicals to achieve surprise.

Throughout, the booklet notes the continuity of military and political leadership in the Soviet Union, which has facilitated a long-term buildup of military force and doctrine. Similarly, it describes strong consistency in military planning and research, which has helped the Soviet Union overcome the U.S. lead start. Today, Moscow is experimenting with futuristic hardware including the first anti-satellite system, which might be able to block out NATO communications in a European war.

To show how the Soviet Union can sustain arms output on an industrial scale, the booklet reports that Soviet factories, for the past eight years, produced 1,200 to 1,300 fighters and fighter-bombers a year.

Projecting Power
Tank production is equally impressive: about 4,000 tanks annually, with the focus shifting from older-model T-55 and T-72 tanks now deployed against Europe and finally to the experimental T-80. The latest Soviet tank factory occupies enough floor space to fill up most of the grounds of the Palais de Versailles.

The capacity of Soviet arms industries has provided surplus production for sales that provide hard currency and political access for the Soviet Union, which has started providing sophisticated arms to client states and developing countries including Libya and Cuba.

To project Soviet power, the Soviet Navy, with its new class of Kiev ships, has started to develop aircraft carriers designed to carry airpower for ground support. (Earlier Soviet carriers were essentially

helicopter-carrying vessels for anti-submarine warfare.) Soviet submarines have become faster and harder to detect, and the Soviet Navy also has received its first major amphibious landing ship.

The Soviet Navy's first nuclear-powered surface ship began sea trials last year. The Kirov is a 23,000-ton guided-missile cruiser, larger than any surface combatant other than an aircraft carrier built since World War II. While its electronic warfare units and Cruise missiles are much less sophisticated than U.S. weaponry, the Kirov represents a major technological improvement in protecting the Soviet fleet from the cover of Soviet land-based aircraft, the booklet says.

The threat to Western navies has changed with the emergence of the Soviet Backfire, a swing-wing bomber that can fly fast and low to escape radar detection and launch missiles against ships.

The U.S. booklet says that the Soviet Union appears to be developing a new long-range bomber and possibly a strategic Cruise missile. These would match the latest U.S. programs.



Ashraf Pahlavi

After summer in her villa at Juan-les-Pins on the French Riviera, the princess is back in Paris for a time. Later she will move on to her New York apartment, she says, and in the meantime she is receiving the monarchist opposition leaders who have made Paris their base and who are trying to organize a military coup in Iran.

Focus on Budget Seen as Barrier In Formation of U.S. Polish Policy

By Michael Getler
Washington Post Service

WASHINGTON — U.S. officials watching Poland's continuing crisis move into a new phase fear that the Reagan administration's preoccupation with budgetary matters will overwhelm chances to develop an effective economic strategy for helping to ease the situation there.

Can you take money away from student lunches and give it to Poland?" asked a specialist in an attempt to summarize the situation in Washington.

Officials say that events in Poland are unfolding so swiftly that there is really very little the United States can do other than continue to warn the Soviet Union to stay out and urge the Poles to solve their disputes peacefully and by themselves.

Nevertheless, diplomats and other specialists say privately that the Reagan administration is operating primarily on an ad hoc basis and that nothing resembling a longer-term economic strategy for dealing with the situation has been worked out. "We haven't even begun to address the underlying economic mess," an official said.

Nothing for 1982
In addition, while the United States provided Poland with \$670 million in credit guarantees for grain and some smaller economic aid projects in the fiscal year that ends Wednesday, there is at this time nothing on the books for fiscal 1982 for Poland in those same categories.

Perhaps most important, there are key differences in outlook in the Reagan administration about money and history.

For example, among the specialists, the predominant view is that the free trade and democratic movements in Poland are of extraordinary historic significance. In this view, Poland must be kept moving toward liberalization, but not to the point that things get out of hand, the Russians may mind the movement is crushed. Thus, an economic strategy is needed that first could contribute, along with allied help, to keeping things under control and then develop into a longer-term program.

Soviet intervention or stern Polish Communist Party crackdowns would make good propaganda for the West. But an official, referring to the liberalization that flowered in 1968, said, "I think you could argue that you could have gotten a lot more out of the Prague Spring if it continued, and that the ultimate impact of a liberalized Poland would be much greater in the long term than the temporary gleam taken in the spectacle of Soviet heavy-handedness."

On the other side, many officials say, is a narrower but nonetheless powerful and influential view, especially in the president's Office of South China Sea Rescue.

The Associated Press
MANILA — A U.S. Navy vessel, the Southern Cross, rescued 62 Vietnamese boat people Saturday in the South China Sea, some of them so weak they had to be carried on stretchers, officials said Sunday.

Solidarity Chiefs Fend Off Critics at National Congress
(Continued from Page 1)
taken by such a small group, but he did not denounce the law itself. The leadership, he suggested, was rapidly losing touch with the grass roots. "I think our leaders use a different kind of language now," he said, adding that "it's a language understood by the authorities, but not by the rank and file. They are no longer talking to the grass roots."

Mr. Gwiazda, a member of the presidium, was out of town when the decision to offer the compromise was taken. In addition to Mr. Walesa, the only presidium members present were Mr. Rulewski, who voted against the compromise, and Leszek Wadolowski and Andrzej Jedynek, who joined Mr. Walesa in supporting it.

WORLD NEWS BRIEFS

Management and Budget, that domestic economic considerations in this country make it difficult to do much for Poland or even think much about it. "The question that still has to be addressed," an official said, "is how much is the Polish situation worth."

On top of this, some in government argue that Poland is, after all, a Communist country and the Russians should clean up their own mess; that Poland's economic crisis is endemic and that the United States would be throwing good money after bad with big new aid or credit programs, and that if Poland's economy improves it would be the Russians that benefit. While these views are said to be a minority, they nevertheless contribute to the problem of agreeing on a strategy.

The views of the budget office and its director, David A. Stockman, are expected to be crucial because several possible economic aid programs that could be considered under an emergency measure or requests to Congress for supplemental appropriations — would have to go through his office first.

At the moment, specialists believe that Poland will require \$700 million to \$800 million next year in credit guarantees for grains and other economic assistance.

This year, Poland got the largest single chunk of guarantees from the Agriculture Department's Commodity Credit Corp. But next year, sources say, it does not look as though Poland will get any Commodity Credit help. For one thing, Commodity Credit is not meant to provide guarantees in the face of virtually certain default, since that means the U.S. government would have to pay. For another, Commodity Credit regulations require repayment in three years and in dollars, another requirement Poland is unlikely to be able to meet.

Thus, working level officials in several agencies are trying to put together an aid package outside Commodity Credit Corp. that could have longer-term repayment in Polish currency. But this will require dollar outlays and run into the White House budget office, that is widely viewed as a "smoking block" by those who feel more should be done for Poland soon.

BARCELONA — About 2,000 inmates refused food Sunday for the second day at Barcelona's Modelo Prison to protest prison conditions, a prison spokesman said. The inmates want reforms in the penal code, a speeding up of court cases and an end to overcrowding.

The spokesman said virtually every inmate except those in the infirmary and in isolation had joined the hunger strike. Spanish jails are widely accepted to be overcrowded, and harsh conditions have been blamed in press commentaries for the suicides of 19 inmates this year. More than half the inmates of Spanish jails are awaiting trial.

Enrique Galavis, director of the Department of Prisons, said that the problems being protested by the hunger strikers could not be solved overnight and that many did not come under his department's jurisdiction. He said others were being examined.

JERUSALEM — The Israeli Cabinet on Sunday postponed until next week a decision on whether to replace soldiers with civilians in the administration of the occupied West Bank and Gaza Strip.

A government spokesman said Defense Minister Ariel Sharon outlined the plan, which is supported by Prime Minister Menachem Begin, under which day-to-day administration of civilian matters such as health, education and transport would come under Israeli civilians.

Security matters would continue to be handled by Israeli military authorities. The spokesman said several ministers spoke in favor of the proposal but others requested more time to learn its details and a decision was held over until next week's meeting.

KANSAS CITY, Mo. — Former first lady, Bess Truman, 96, suffered a stroke and was admitted to Research Medical Center in serious condition Sunday.

Mr. Truman's physician, Dr. Wallace Graham, said she suffered the stroke late Saturday at her home in Independence, Mo. He had been putting her in the hospital until an analysis of her condition had been made at her home. She was admitted to the hospital's intensive care unit.

Doctors said that the widow of former President Harry S. Truman suffered a transient ischemic attack, or blood vessel spasm in the head, but there was no paralysis and apparently no further complications. A hospital spokesman said Mrs. Truman was responding to doctors and was alert. It was uncertain how long she would remain hospitalized.

LONDON — Talks between the Sunday Times and a pressmen's union were deadlocked Sunday and printers refused to cross a picket line, putting publication of the daily Times in jeopardy.

Officials for both sides were reported unable to reach agreement after eight hours of talks. The negotiations, focusing on pay differentials for pressmen who work Saturday nights, continued into the night.

The Sunday Times suspended its entire staff of 1,400 Friday and canceled Sunday's edition after press operators refused to sign a pledge not to disrupt publication. The deadlock also could affect the Guardian, which, although not owned by Times Publisher Rupert Murdoch, is printed on the same presses as the Times.

MADRID — The Spanish Communist Party leader, Santiago Carrillo, said Sunday that his party had collected half a million signatures in favor of a referendum on whether Spain should join NATO.

Speaking at the end of a two-day party festival in Madrid, Mr. Carrillo accused the ruling centrists of abusing the constitution by not granting a referendum. Premier Leopoldo Calvo Sotelo's government has said that Spanish membership in NATO will be decided by a vote in the parliament, which is due to discuss the question soon.

Mr. Carrillo told about 70,000 people at the festival that NATO membership was not a question of being liberal, conservative or centrist. "It's a battle for peace, a matter of life and death," he said.

There is no practical possibility that someone other than Jesus was buried" in this shroud, they say. Tests found no evidence of decomposition, though pathologists thought the man it contained was dead, and facts indicate that the body was not removed by human means, since the bloodstains are intact and anatomically precise, where they would have been smeared or broken had the shroud been removed normally.

In the Harper's article, author Cullen Murphy says, "While there is a certain amount of circumstantial evidence supporting the proposition that the linen cloth upon which the image of a crucified man appears is about 2,000 years old," the scientists' report "regards the evidence as suspect by its very nature. Because the crucial authorities in Turin have yet to permit carbon-14 dating of the fabric, the age of the shroud remains an open question."

Italian Author Claims Forget Bari Italy (AP) — An Italian anatomy specialist has written a book saying the Shroud of Turin was forged by placing a cloth over a bas relief sculpture and scorching it to leave an imprint that appears to be the face of Jesus.

Vittorio Pece Delfino, a professor of anthropology at the University of Bari, said he has manufactured about 100 copies of the shroud to show that it could have been faked that way.

HAMBURG — Fingerprinters have linked two persons suspected of belonging to the Red Army Faction guerrilla group to the assassination of U.S. Gen. Frederick J. Kroesen, the West German magazine Der Spiegel reported Sunday.

Gen. Kroesen and his wife escaped serious injury Sept. 15 when two Soviet-built grenades struck the rear of their helicopter limousine in Heidelberg. The Red Army Faction, formerly the Baader-Meinhof group, claimed responsibility for the attack.

Fingerprints of Brigitte Mohaupt were found on a falsified license plate on a car that police said was used by the assassin and prints belonging to Christian Klar were found on a radio-telephone, the magazine said. It also police had proof that Mr. Klar was also involved in the Aug. 31 bombing of the U.S.-NATO headquarters at Ramstein.

Prime Minister Margaret Thatcher of Britain arrived from Bahrain Sunday for a one-day visit and talks with Kuwaiti leaders.

Prime Minister Margaret Thatcher of Britain arrived from Bahrain Sunday for a one-day visit and talks with Kuwaiti leaders.



WHEN YOU TELL 'EM BACK HOME HOW YOU "REINED" IN IRELAND, SAVE SOME IRISH POUNDS ON THE CALL.

The Irish have a way of making you feel like a queen. They put you up in one of their ancient castles. Invite you to lavish medieval banquets at night. And show you the most beautiful countryside in the world by day—in a jaunting cart, no less (with you holding the reins). But before you share it all with the folks back home, check out these pound-saving tips.

SAVE WITH A SHORTIE
In most countries there's no three-minute minimum on self-dialed calls. So if your hotel offers international Dialing from your room, place a short call home and have them call you back. The surcharge on short calls is low. And you pay for the call-back from the States with dollars, not local currency, when you get your next home or office phone bill.

SAVE NIGHTS & WEEKENDS
Always check to see whether the country you're in has lower rates at night and on weekends. Usually the savings are considerable. You'll save a lot of green when you follow these tips. And a lot of gas when you travel by jaunting cart.

Reach out and touch someone
Bell System

ing a Soviet agent as part of the deal.

Among the other East German agents in West Germany, jails said to be on the release list is Renate Lutze, a former secretary in the Bonn Ministry of Defense, who passed official documents to East Berlin.

Mr. Guillaume and his wife, two of the most highly placed Communist spies to be arrested in recent years, came to West Germany in the guise of refugees in 1956. Mr. Guillaume worked his way through the ranks of the Social Democratic Party and became Mr. Brandt's aide in 1972.

He kept up a steady stream of highly confidential documents, among other things on East-West German relations to East Berlin, during the difficult and delicate talks that led to the treaty regulating relations between the two German states. After Mr. Guillaume was arrested in 1974, Mr. Brandt resigned the chancellorship.

TOKYO — Torrential rains, totaling up to 16 inches, triggered landslides that buried a cluster of houses in northern Japan, killing three persons and injuring two, the Kyodo news service reported Sunday.

MOSCOW — Young couples in the Soviet Union should stop going to night school and start making more babies to counter the population explosion in the nonwhite Asian parts of the country, a scientist said Sunday.

"Millions of young people study at extramural and evening departments of institutes and colleges," demographer Viktor Perevedentsev said in the youth newspaper, "Moskovskiy Komsomolets." "It demands a lot of time and effort to work in the daytime and to study in the evening. If they are planning on having a child, then study should be given up."

The interview was published in a newspaper whose main audience is white and under 30 years of age. The conclusions were in keeping with the authorities' attempts to stem the baby boom in the Asian republics and to boost population in the mostly Caucasian western part of the country.

Be More Fecund, Russians Advised

3 Die in Japan Landslides

Thatcher Visiting Kuwait

Reagan Adviser Works On a Compromise to Save the AWACS Deal

By John M. Goshko
Washington Post Service

WASHINGTON — The administration has put into abeyance the negotiations it began last week to save its proposed sale of radar planes to Saudi Arabia and assigned President Reagan's national security adviser, Richard V. Allen, to work out a compromise for saving off a congressional veto of the \$8.5 billion deal.

Informed sources said that a team headed by Mr. Allen was working through the weekend to revise the sales agreement to satisfy congressional demands for greater U.S. control over the Airborne Warning and Control System planes without violating Saudi Arabia's insistence that its sovereignty not be infringed.

But the sources emphasized that it is still too early to tell whether the differences could be bridged. They said that the discussions with Saudi Arabia and congressional foes of the sale that opened Thursday and Friday are, as one source put it, "on hold" until the various parties see what Mr. Allen and his aides come up with.

Apparent Majority

Formal notification of the administration's intention to sell the AWACS and other sophisticated aircraft equipment is scheduled to go to Congress Wednesday. The sale can be blocked if both houses vote against it within 30 days of the notification.

Concern that the equipment might be used against Israel or fall into the hands of U.S. foes has produced an apparent majority in the House against the sale. A majority of the Senate also is leaning against the deal, but the administration hopes that the situation in the upper chamber can be changed if the Saudi Arabians agree to include U.S. technicians in the AWACS crews.

The sources denied reports that Saudi Arabia, through its representative in Washington, Prince Bandar bin Sultan, had rejected the idea of joint control or had said it would permit U.S. training personnel to fly on AWACS missions only for a limited period after delivery of the planes in 1985 and 1986.

They conceded that initial Saudi reaction had been hostile and that, as of now, it remains cool. But, the sources continued, the Saudi government has agreed to keep an open mind about the possibility of compromise until the administration comes up with a detailed plan.

In agreeing to wait, the sources said, the Saudi Arabians were influenced by a desire to salvage other parts of the package, even if the AWACS deal falls through. In addition to the radar planes, the sale calls for transferring fighter tanks for the F-15 jet fighters, bombers that they are buying from the United States, aerial refueling tankers and Sidewinder air-to-air missiles.

The sources also said that another idea floated by the administration — sending a high-level delegation to Saudi Arabia for face-to-face negotiations with top Saudi

leaders — still is under consideration, but now seems unlikely because of Saudi coolness toward the proposal.

If it is decided to go ahead with a public relations mission of that sort, the sources added, the delegation would include influential members of Congress and would be headed by Secretary of State Alexander M. Haig Jr. or another official of comparable stature. However, the sources emphasized, no decisions will be made about pursuing a high-level visit until everyone involved has a clearer idea whether the administration can put together a compromise plan.

In other action Saturday, the White House announced that the president will have his first formal news conference in three months sometime in the next two weeks and that he will keep to his schedule of announcing whether to go ahead with both the B-1 bomber and the MX missile programs.

David Gergen, a spokesman, also said that the president will make a speech Monday endorsing a sweeping revision of federal criminal laws when he speaks before the International Association of Chiefs of Police.

In his crime speech to be delivered in New Orleans, Mr. Reagan will call for changes in bail procedures to allow judges "more flexibility to hold some defendants and to raise bail standards in order to make it more difficult for them to get back out on the streets," Mr. Gergen said.



WRITER ARRESTED — Jack Henry Abbott, the convict turned writer who won freedom and literary fame in the United States earlier this year for his book portraying prison life, is taken into court to face charges in the stabbing death of an aspiring actor in New York. Mr. Abbott, who was arrested last week in Louisiana, received the support of Norman Mailer in obtaining his release from prison.

Policy Role Held Inevitable for U.S. Justices

By Anthony Lewis
New York Times Service

WASHINGTON — "I do well understand the difference between legislating and judging," Sandra Day O'Connor told the Senate Judiciary Committee as her confirmation hearings began. As a judge, it is not my function to develop public policy." Last week, when the Senate voted 99-0 to approve her nomination to the Supreme Court, President Reagan expressed his pleasure in a statement praising her judicial philosophy as "one of restraint."

Those are the pieties that are likely to surround any Supreme Court appointment nowadays. The conservatives who hold political power often speak of the need for judicial restraint for strict construction of the Constitution, for judges leaving policy decisions to legislators. The dramatic element in this nomination — the first appointment of a woman to the court — did not at all change the talk about desirable judicial philosophy.

But Justice O'Connor will find that the pieties do not get her very far. She no doubt knows that already. It is hard work interpreting the fundamental law of the United States, and what is hard about it is that there are no formulas for decision. A few examples, new and old, will indicate how unhelpful the jurisprudence of a confirmation hearing is in deciding actual cases.

Last year, the Supreme Court decided that a former CIA employee who violated a secrecy agreement by publishing a book without first clearing the manuscript could have a savage financial penalty imposed on him: the seizure of his gross receipts from

years of writing. The court went further and suggested that the same could be done to any government employee with access to confidential sources, whether or not he had ever signed a secrecy agreement.

Conservatives Approved

Congress had passed no statute laying down those Draconian secrecy rules. Indeed, Congress had repeatedly refused to enact laws such as the British Official Secrets Act. The Supreme Court

But by 1896 politicians had turned away from the effort for racial justice, and the judges followed them. The court's opinion said there was nothing invidious about segregation unless those segregated "choose to put that construction upon it."

The Plessy decision did not exactly meet Justice O'Connor's declared view that judges should not "develop public policy." The decision helped spread a segregated way of life through the Southern and Border states for 60 years.

The segregation issue also tests another statement Justice O'Connor made during the confirmation hearings: that the judiciary should not "step in and change the law because the times have changed." For of course Plessy was swept away when the Supreme Court in 1954 held racial segregation to be unconstitutional.

But did conservatives rush to condemn the secrecy decision? Did they say the court should have shown self-restraint and left it to the elected branches of government to fill any need for new law? They did not. The conservatives approved the result. They liked the idea of greater official power to keep secrets and clamp down on dissent in the CIA.

In the term that starts a week from Monday, the court will face questions hard to characterize in terms of "activism" or "restraint." Must a state university let religious groups hold meetings on its campus? May a state make a private university open its campus to political speakers?

Plessy Decision

Or consider a profound example from history: the case of Plessy v. Ferguson. In that case in 1896 the Supreme Court held that racial segregation did not violate "the equal protection of the laws" commanded by the 14th Amendment. In earlier years, following the Civil War and the adoption of the 14th Amendment, the court had repeatedly said that the amendment's language must be construed strictly to protect the newly freed

blacks. But by 1896 politicians had turned away from the effort for racial justice, and the judges followed them. The court's opinion said there was nothing invidious about segregation unless those segregated "choose to put that construction upon it."

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Did Justice O'Connor mean that the Supreme Court was bound forever by the sociology of Plessy vs. Ferguson? Did she mean that the justices in 1954 were forbidden to learn by the world's terrible experience of racism?

The potot is really that concepts such as "equal protection" and "due process" cannot be defined by formulas. They can only be given meaning in concrete cases. And the American system from the beginning has given the defining function to judges.

Because the Constitution is the supreme law of the United States and because its grand words acquire meaning in lawsuits, judges do make policy. There is no way for them to escape that burden.

Israel Military Exports
May Rise by 40% in '81

The Associated Press

TEL AVIV — Israel's military exports may jump by 40 percent this year to reach the equivalent of \$700 million, according to government export figures for the first eight months of 1981. The Jerusalem Post reported.

Israeli military censorship restricts information on military exports, but foreign estimates rank Israel as the seventh largest supplier of military equipment in the world. Although it is so far unable to sell its military planes abroad, Israel has captured a formidable piece of the electronics and ammunition market, supplying nations in Africa, Latin America and Asia and in NATO, according to foreign reports.

Book Names FBI Infiltrators in U.S. Communist Party

By Charles R. Babcock
Washington Post Service

WASHINGTON — For more than 25 years, an operation code-named "Solo" has been one of the FBI's most jealously guarded secrets. The information it produced was sometimes deemed important enough to be handed directly to the president.

"There's no doubt that the bureau considered Solo its greatest intelligence coup," said an official familiar with the long-running operation. "On a scale of 1 to 10, Solo was 10," said another.

Solo was the protective cover for two brothers recruited and paid to infiltrate the highest echelons of the American Communist Party. In the 1950s, sources said, one became the courier of up to \$1 million a year in secret contributions by the Soviet Union to sustain the struggling party. This was cited to support J. Edgar Hoover's claims about the Communist threat within.

Sneak Campaign

More important, knowledgeable intelligence officials said, the two men traveled abroad and were accepted as confidants by Communist leaders, enabling them to return to their FBI handlers with news about the intentions of Communist-blob officials. One even had his picture taken with the Soviet leader, Leonid I. Brezhnev. For years, they were considered the FBI's most important counter-intelligence assets.

Now, in a book about the bureau's sneak campaign against the Rev. Dr. Martin Luther King Jr., David J. Garrow, a University of North Carolina professor, exposes Solo for the first time and identifies the two brothers as Morris and Jack Childs.

An FBI spokesman had no comment on the disclosures to the book. But The Washington Post independently has verified the Childs' role as FBI informants and learned something of their activities. Jack Childs died last year and

Mr. Morris' whereabouts could not be learned.

The operation was considered so successful that as the brothers got older officials considered trying to train others to take their place. It is less clear how valuable the brothers' information was to national security, especially in recent years when the American Communist Party was considered less of a threat.

And there is also the usual uncertainty about whether the Russians ever caught on to the Childs' double-dealing, and could have used them to send back disinformation to the FBI. Sources said, for instance, that the CIA had serious doubts about the authenticity of the FBI's intelligence regarding the Soviet funding of the American Communist Party.

'Bullish' Investments

A former intelligence officer said Jack Childs used to pick up the Soviet cash from a diplomat attached to the Soviet mission to the United Nations in New York. Other officials said that Solo enabled the FBI to discover where the Communist Party kept its money and how it used it, and that American party boss Gus Hall "was bullish on America," investing some of the Soviet money in the stock market and apartment buildings.

A Soviet Embassy spokesman

this week flatly denied the allegation about Soviet funding. "We don't finance the Republican Party, the Democratic Party or even the Anderson campaign,"

Len Harris, a Communist Party member from Connecticut who knew the Childs brothers, said he thought it unlikely that they were FBI informants. If the FBI discovered the Russians funding the American Communist Party, he said, "I'm sure they would have trumpeted the news, because that's just what Hoover would have wanted." Mr. Hall is out of the country.

Mr. Garrow said he came upon Solo while trying to learn why the FBI carried out such an extensive campaign to discredit Dr. King. He found that agents had been told by Jack Childs that Stanley Levison, a King confidant, was an active Communist Party member in the early 1950s. That led to wiretaps of Mr. Levison and eventually taps of Dr. King, too, authorized by Attorney General Robert F. Kennedy.

The book, "The FBI and Martin Luther King Jr.: From 'Solo' to Memphis," traces the bureau's unsuccessful effort to leak descriptions of the civil rights leader's sex life to reporters during the early 1960s.

U.S. Energy Aide Suggests Ways for Dismantling Unit

New York Times Service

WASHINGTON — Functions of the Department of Energy, which is headed for institutional oblivion just four years after it was set up, could be dispersed among a half-dozen other federal bodies, including a new one that could handle weapons production and other military work.

Secretary James B. Edwards, briefing reporters Friday after President Reagan formally proposed dismantling the department, suggested that the Strategic Petroleum Reserve be moved to either the Interior or Commerce Department, that research go to the National Science Foundation and that some other remaining functions be lodged at the Departments of Defense, Transportation, and Health and Human Services.

Military work, accounting next year for \$5 billion of the department's \$13 billion budget, might be the core of a new agency, Mr. Edwards said. He said that a detailed plan for the dismantling was expected to be ready in November.

But although Congress is expected to go along with the idea, Mr. Edwards estimated that it would take four to six months to pass the necessary legislation and up to 18 months to carry it out.

The White House puts the savings at about \$1.5 billion by 1984 and says that 4,400 jobs would disappear. The Energy Department now has 17,800 employees, down from 19,900 at the beginning of this year.

Stockman Withdraws New U.S. Rules On School Lunches, Angering Block

Washington Post Service

WASHINGTON — Charging that the Agriculture Department "not only has egg on its face, but ketchup, too," David A. Stockman, the U.S. hedge director, has said that he has ordered the withdrawal of proposed federal rules that would have listed ketchup and pickle relish as vegetables for school lunches.

He said the controversial guidelines, which also would have allowed the substitution of soybean cakes for hamburger and doughnuts for bread, were the result of a "bureaucratic goof."

The proposed redefinition of the school lunch has allowed the Democrats to embarrass the administration, and Mr. Stockman's rough-edged remarks Friday were an obvious effort to minimize the political damage.

But Mr. Stockman's effort to stop one controversy started another. Agriculture Secretary John R. Block, whose department issued the regulation, was miffed.

California Drifter Gets 7 Years for Abduction

The Associated Press

HAYWARD, Calif. — Kenneth Parnell, a drifter who was charged with abducting two boys seven years apart, has been sentenced to seven years in prison in one of the cases.

An Alameda County Superior Court judge on Friday imposed the maximum penalty on Mr. Parnell, 50, in the Feb. 14, 1980, abduction of 5-year-old Timmy White in Ukiah. Mr. Parnell still faces trial on charges of abducting Steven Stayner, who disappeared from a Merced street in 1972 at the age of 7 and said he lived with Mr. Parnell for seven years. Timmy White was held two weeks.

Mr. Block met with President Reagan later Friday afternoon and afterward said pointedly that he and the president agreed that the guidelines should be reconsidered "due to adverse public reaction."

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Paris, September 19, 1981

APPEAL OF THE M.L.F. INTERNATIONAL DEMANDING THE LIBERATION OF ANA MARIA GOMEZ, KIDNAPPED IN EL SALVADOR.

Ana Maria Gomez, 24, one of the founders of the Association of the Women of El Salvador (AMES), and one of the leaders of the People's Revolutionary Block (BPR) was kidnapped in San Salvador, on September 18, 1981. Ana Maria Gomez's friends were able to discover she was detained in a prison in San Salvador. Like all prisoners there, her life is in danger.

Every day, kidnapping, torture, rape, murder... are the crimes committed by the junta against the Salvadorian people.

The President of the junta, Napoleon Duarte, is currently in the USA until September 9, for the purpose of obtaining

This appeal is launched by:

Antoinette Fouque, MLF France; Marie-Claude Grumbach, MLF, France; Phyllis Chesler, writer, USA; Hélène Cixous, writer, France; Françoise Vergès, MLF, France; Bernadette Devlin, Ireland; Maria de Lourdes Pintasilgo, former Prime Minister of Portugal; Sylvia Boissonnas, MLF, France; Eva Forest, Amnesty International, Spain; Acacia Condès, MLF, France; Ruth Escobar, Theater Director, Brazil; Claudine Mulard, MLF, France; Kate Millett, writer, USA; Jacqueline Sag, MLF, France; Carmen Gloria Aguayo, former Minister of the United People's Government in Chile; and hundreds of women of the MLF.

Thousands of women and men immediately signed this appeal.

Send your signatures and initiatives to: **Mouvement de Libération des Femmes MLF International**
12, rue de la Chaise - 75007 Paris - France
(329.50.75 and 805.17.45)

\$ 300 million in additional aid for military and economic use.

The international mobilisation must prevent this genocide. It must also get Ana Maria Gomez out of prison.

WE MUST ACT QUICKLY!

We demand information concerning Ana Maria Gomez.

We demand her immediate release.

We urge you to sign this appeal, to distribute it widely, and to send telegrams demanding the liberation of Ana Maria Gomez to:

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Solidarity's Other Shoe

Solidarity is about to drop the other shoe. Its first, in the first round of its first national congress early in September, fell on sensitive Polish and Soviet toes, being close to an open demand for political power. The Polish Communist Party — no longer the traditional lackey, remember — rose stiffly to the challenge and, to Soviet growth, warned that Moscow might cut the aid that keeps the Polish economy (barely) afloat.

Clearly, what the party and Moscow both want is to ensure that, at the second round of its congress, which just opened, Solidarity finds another place to drop that second shoe.

Perhaps it will. There is a streak and a constituency in Solidarity, a democratic organization not easily controlled from the top, that keeps forcing the pace. This produced in early September, among other things, a demand for full worker self-management.

That the Moscow-installed command economy of the past 30 years must be overhauled is almost everywhere acknowledged in Poland. But to go to full worker control, at once and by referendum, struck a good number of Solidarity people as too far too fast.

A proposal for a modified system has now come from the Solidarity executive and is to

be put before the membership. The proposal has been greeted by the authorities as "a step toward realism" — on Friday, the Polish parliament endorsed a measure in that spirit.

Many people in the West hesitate to offer Solidarity cautionary words that the Russians or the Polish hard-liners must put to their own uses. But this is too difficult a time for friends of Solidarity and Poland to swallow their best judgment. The direction of Polish developments seems sound: It is good, for instance, that the debate is now centering on the critical issue — unavoidably, a political issue — of how to run and reform the economy. But the rhythm of Polish developments, entailing constant surges of action, tests of will and retreats at the brink, brings heavy risks and costs.

There is a desperate need for a quieter, more deliberate concentration on the economy on the part of Solidarity and the authorities alike. For either side to force ever more ultimate tests of political strength is to assume an awful responsibility. That course could produce the utter inner collapse that would amount to Poles doing the Russians' dirty work for them.

THE WASHINGTON POST.

Afghan Arms Disclosure

What is one to make of the irrepressible Anwar Sadat's disclosure that, when the Soviet Union invaded Afghanistan in 1979, Jimmy Carter secretly undertook to have Egypt send leftover Soviet arms through Pakistan to the Afghan rebels? It is not the kind of tale that nations usually tell about their friends, and it has come as a bit of an embarrassment to an administration that made much of Communist support of other resistance movements.

Yet there is some advantage in having everyone know that U.S. support for Afghan independence springs from a national consensus, not from the particular sial of one administration. Americans do not have to apologize for helping Afghans fight Soviet aggression.

How is the fight going? Evidently, not badly, if the measure is a capacity to inflict costs on the occupier, to prevent the Kabul regime from extending any sort of political base and to keep the cause of liberation before the world. Yet it seems no less evident that the Soviet Union can carry the considerable military and physical costs indefinitely and that it hopes that the diplomatic costs of invading an Islamic country can be defrayed.

Nothing like a military victory by either side is in the cards. The relevant question is whether the resistance has built up a position

from which negotiation could begin. Soviet withdrawal would be traded for the establishment of a mutually agreeable regime.

So far the Russians have stood fast on a demand that their puppet be recognized before any talks begin. The Afghan resistance groups naturally reject this and neither of the countries who come closest to representing their interests, Pakistan and Iran, countenances it. The United Nations is offering its good offices in an attempt to see whether Pakistanis and Afghans might somehow be brought together — on the party level, so that the meeting would not confer official recognition.

This appears to be the only working channel but it is the attitude of the great powers that will finally tell. At a certain point the United States may have to decide just what it thinks of a negotiated solution, particularly since any such solution, because it would in part accommodate Soviet interests, would be imperfect from a U.S. point of view. Inside the Reagan administration a quiet debate is brewing. Some see an advantage in having Moscow stay tied down in Afghanistan and others see an advantage in settling down the region. The responsible course is the latter, if Afghan self-determination is restored.

THE WASHINGTON POST.

Cuban Liberty, U.S. License

What a splendid idea it must have seemed to someone on President Reagan's staff: Establish a new broadcast service, patterned on Radio Free Europe, to carry information into Cuba. The White House has duly proposed such a station. "To tell the truth to the Cuban people," and reporters were told it would be called "Radio Marti" after José Martí, the father of Cuban independence.

Put aside the objections of the professionals at the Voice of America, who feel their existing broadcasts already tell the truth. Forget unhappy memories of a CIA clandestine station on Swan Island, which heralded the Bay of Pigs invasion. Consider only the ignorance displayed by the proposed name.

As every Cuban knows, Mr. Martí profoundly distrusted the United States. A journalist who lived in the United States for 14 years, Mr. Martí campaigned tirelessly against Spanish imperialism — but also against U.S. expansionism.

"It is my duty," he wrote in 1895, just before his death, "to prevent, through the independence of Cuba, the U.S.A. from spreading over the West Indies and falling with added weight upon other lands of our America. . . I know the Monster, because I have lived in its lair — and my only weapon is the slingshot of David."

There is comparable understanding in an-

other recent jab at Fidel Castro: the seizing of 100,000 Cuban periodicals by the U.S. Customs Service.

The stated purpose of this embargo, under trading-with-the-enemy regulations, is to deny Cuba an income. But most of the publications are sent free, by way of Canada, so there was little economic benefit to Cuba.

Nonetheless, subscribers have gotten a Treasury Department circular that says: "The Office of Foreign Assets Control has structured the regulations so as to avoid any element of censorship in the administration of what are essentially economic controls. . . In order for you to import the Cuban publications currently under detention by U.S. Customs Service, it will be necessary for you to obtain a specific import license from this office. . . The applicant should submit complete information concerning the nature of the publication, the cost, and the purpose of the importation."

If that is not censorship, then Fidel Castro is Thomas Jefferson. The American Civil Liberties Union is rightly challenging this repugnant order. The idea of promoting information for Cuba would be more convincing if the administration also welcomed it in the United States.

THE NEW YORK TIMES.

Man's Greatest Library

Archaeology has many uses. With it trade routes are traced, a people emerge, possession is justified. "Mine," one can say, turning ruins into politics, "because these stones prove my kinsmen preceded yours."

Archaeology provides treasures for museums, too, and for show boxes. The adult faced with Tutankhamen's burial mask and the child with an arrowhead he has found are seeing across the space between the finite self and the seemingly infinite past.

Some places are magical — Ephesus, for instance, and Troy, and Jerusalem, where a small part of what may have been the City of David is now being excavated, despite the claim of religious militants that the dig

desecrates a medieval cemetery. The controversy is monumental, but far more so are the names and dates. Excavations have reached Bronze Age fortifications, the period of Abraham. An ancient amphora handle is stamped with the Greek words "Against War." A pottery shard bears an inscription in a South Arabian alphabet. At the end of the Iron Age, the dig's chief archaeologist said, "somebody was sitting here in Jerusalem writing in South Arabian."

Man has not yet succeeded in destroying his greatest library, earth. But the image haunts the century: the City of David buried forever, Ephesus crumbling for the last time.

THE NEW YORK TIMES.

In the International Edition

Seventy-Five Years Ago

September 28, 1906

BUFFALO, N.Y. — With the nomination of Mr. William Randolph Hearst an absolute certainty, the Democratic Convention met this evening with the prospect of being in session until after midnight. Anti-Hearst men held one formal and several informal meetings. They knew their fight was hopeless, but were intent on finding the best way to express their opinion of Mr. Hearst and his mercenaries who made the nomination possible. A dozen anti-Hearst men are to speak tonight. They refuse to be disgraced, though defeated. And Hearst's nomination will not be unanimous in any circumstances. Disgust is rampant, but there is little probability of a rump convention or the nomination of a third ticket.

Fifty Years Ago

September 28, 1931

HONG KONG — A state of emergency has been declared here following anti-Japanese riots culminating with the murder of six Japanese. Troops are aiding police in restoring order. A detachment from a Highlanders' regiment attached to the British garrison here was forced today to charge with drawn bayonets a mob of 5,000 enraged Chinese who were attempting to storm a police station in which several Japanese had taken refuge. In Geneva, the Japanese delegate, Mr. Yoshizawa, indicated the expectation that he will be able to inform the League of Nations council tomorrow that Kinn and other points in Manchuria would be evacuated by Japanese troops.



The Third Soviet Grain Disaster

By Marshall I. Goldman

WELLESLEY, Mass. — Unlike President Reagan, Leonid Brezhnev probably has been having restless nights lately. In addition to a phone call or two about his overzealous military advisers in southern Africa, the wild men in Poland, the falling rates of growth in his energy industries and domestic distress over substantial increases in retail prices, the most serious source of insomnia probably has been agricultural shortcomings.

The Soviet Union finds itself with a disaster of unprecedented magnitude on its hands. This is the first time since World War II that it has suffered three serious crop failures in a row. After hitting a production record in 1978 of 235 million metric tons of grain, the harvest fell to 179 million tons in 1979, reached only 189 million tons in 1980 and is expected to reach no more than 175 to 180 million tons this year. It was bad enough when there were two failed harvests back-to-back as in 1953-54, 1959-60 and 1974-75.

Not expecting such a string of disasters, the Soviet Union apparently has already drawn down its always meager reserves. Because its economic system tends to de-emphasize the accumulation of inventory, the Soviet Union never has paid much attention to the need for grain elevators — and, after all, there never has been any need to store grain for three successive years.

The Kremlin leaders' first move will be to increase their already large grain imports. This will force them to rely heavily on the United States, a step they would rather avoid. They were hoping to penalize the United States for its limited embargo on the sale of grain after the invasion of Afghanistan: The Russians were trying hard to show that if Washington used the threat to hurt them, they would do the same to the United States.

ing 2.4 billion rubles, about \$3.6 billion. This is the first time that a first-quarter deficit has been so high.

The likelihood is, therefore, that even if they can squeeze the grain they need through their ports, the Russians will have a hard time paying for all the grain they want to import.

Labor Disputes

Yet they do not have much choice. They must import. For the last two years, they have been plagued by an unusual number of labor disputes and public protests in such places as Kiev, Odessa, Mogilastu, Gorky and Donetsk. Most of these outbreaks have been linked to complaints about food supplies. Most frustrating of all, the Soviet Union finds itself virtually unable to prevent periodic crop failures. As it is, the Russians already have been diverting as much as 27 percent of their capital investment to agriculture, with little to show for the effort.

Clearly, Mr. Brezhnev's first priority is to find enough food to satisfy the country's basic needs. Even then, however, his problems probably will carry over for some time because it will take a long time to build up reserves and resupply the seed used up this year. Then, too, suppose there are other bad harvests?

Because the situation is unprecedented and the likelihood of widespread food shortages so ominous, the leaders face uncomfortable times. They may even decide after three failures that some new leadership is required. Not that they need reminding, but their friends in Poland can tell them what happens when workers feel they have not been provided with enough food.

Marshall I. Goldman, professor of economics at Wellesley College and associate director of the Russian Research Center at Harvard, has just completed a book on the Soviet Union's economic problems. He wrote this article for The New York Times.

'Dear Donor' Letters: Electronic Chutzpah

By Tom Wicker

NEW YORK — The most widely distributed computer letter of all time may have been sent by Ronald Reagan ("My election to serve you and our country is the highest honor I will ever have. . .") to what appears to be every American above 6 months of age living between Nome and Key West, including prison inmates, welfare mothers and Democrats.

The letter issues a patriotic call for money to wrest control of the House from the Democrats, and thus to save the nation. So great was the electronic chutzpah of Reagan's computers that one of these appeals went even to the Jackson County legal services in Michigan, which are part of a program the president has been audaciously trying to kill. The salutation reads: "Dear Mr. County."

The somber world of the computer letter is not often lightened by such gaffes. Within the window envelope, disaster more typically waits to happen, and sooner rather than later. In fact, not even a David Stockman news conference is more foreboding than the mere

sight of a computer letter — squatting like a toad in the mailbox, pregnant with its several single-spaced pages of bad news plus the handy computerized check-off card and return envelope for you desperately needed contribution, without which things are known there cannot survive.

Here is Sen. Edward M. Kennedy, for example, at the computer keyboard of the Fund for a Democratic Majority (not to be confused with the Moral Majority): "Dear Friend: I wish you could stand with me on the floor of the United States Senate, and watch what is happening to our country. Frankly, I think you would be appalled."

Frankly, I don't doubt it. But the floor of the Senate is not the only place where things are going to the dogs. Witness the lugubrious testimony of one Tom Harris, manning a terminal for the National Right to Work Legal Defense Foundation Inc.: "Dear Friend: Power-hungry labor bosses have hindered their way far too long. . . These union chieftains seem to have unlimited millions of

dollars to elect the politicians, pass the legislation and push the causes they selfishly want."

Sen. Kennedy and Mr. Harris, not otherwise closely linked, both believe that their dear friends' contributions can "make the difference." I'm not really accustomed to that kind of recalculation, but these computer Cassandras keep piling it on — for example, Archibald Cox, with alarming information from the archives of Communist Cause: "Dear Citizens: Socialist Interests Political Action Committee (PAC) donated \$55 million to congressional candidates in 1980. Who gave these millions? Which members of Congress got it? What did this money buy? How will you and I lose?"

This line of inquiry is, of course, too depressing to pursue, yet even Mr. Cox will not spare me the usual grim challenge: "Will you help keep our government 'of the people, by the people, and for the people?'"

I am in receipt, too, of a packet of glib software from Liz Carpenter and Mildred Jeffrey, bearing ill tidings that the cause of women's rights is in big trouble: "Dear Friend, unless you act immediately, the New Right and the Republican Party will surely

succeeded in turning back the clock on equality and dignity for our half of our nation's population."

Rep. Sen. David F. Mustian and Rev. Morris Udall, upbeat characters usually, have been wrestling with the word-processor, on behalf of the League of Nations Committee. They are too honorable not to give it to me with the bark off, starting with the salutation: "Dear Donor: You might feel that the Democratic Party is hopelessly torn between rival factions and that no new leader has come forth to carry the banner."

Yes, I told myself, that's exactly what I've been thinking. Pat and Mo. But they, too, spared me with a challenge I couldn't resist: "Please accept the enclosed Money-Back Card as a symbol that you stand firmly behind your political beliefs and that you do not blow with the prevailing wind of public opinion."

Right beneath my computer mail, however, there's a dime-store envelope with no return address. It contains a narrow slip of paper, the State of New York's formal notice to: "Dear Sir-Madam: We are notifying you: Your Food Stamp benefits to reduce the increase in SSI and/or Social Security benefits you received July 1, 1981, your Sept. 1, 1981, Food Stamp benefit will be in the amount of \$49.00. In computing your benefit we used income amounts of: Supplemental Security Income (SSI) \$327.91."

The recipient of this notice has written in anonymous ink after the letter number: "which needs to pay electric, gas, telephone, postal, rent, furniture, clothing, soap. And it doesn't take a politician to see that the grand total income is \$376.91 a month."

Moral: Some folks have real trouble, and no computer.

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Letters

Irish Minority

Thomas M. Carroll devotes a complete article (JHT, Sept. 17) to the subject of hate expressed by Irish people. He should have added "a small minority" — since most of the Irish are far too civilized and intelligent not to know that hate is a deadly poison. He concludes by asking someone else, namely England, to end this hatred.

His attitude reminds me of the good lady who said, "Doctor, doctor, my husband's going mad; he thinks he's a refrigerator." "How do you know, Madam?" "Because he sleeps with his mouth open and the little light keeps me awake."

T.M. LINDSAY
Brussels.

Tak, Tak, Saffire

The impeccable William Safire, writing on the usage of *tak-tak* or *tak*, *tak* (JHT, Sept. 7), says that when one wants to chuck sympathetically to a story, "the way to do it properly is to go 'tak-tak.' 'To go? When one 'goes' tak, tak where is one going? How has 'go' been substituted for 'say?'" I would like to say *tak, tak* to "go," but Mr. Safire goes, "Don't go

Letters intended for publication should be addressed "Letters to the Editor," and must include the writer's address and signature. Priority is given to letters that are brief and do not request anonymity. Letters will be abridged. We are unable to acknowledge all letters, but value the views of readers who submit them.

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Egypt Takes New Steps in Crackdown

Targets Are Students And Public Employees

By William E. Farrell
New York Times Service

CAIRO — The government of President Anwar Sadat has begun implementing Mr. Sadat's demand to "uproot indiscipline" in various areas of Egyptian life as part of his recent crackdown on religious extremists and political opponents.

The Egyptian Cabinet issued guidelines last week tightening security on university campuses, increasing the number of uniformed guards on the campuses and ordering performance reviews for civil servants.

The Cabinet also decreed stiffer penalties and better enforcement of numerous statutes, including littering, offenses and traffic violations, which are legendary here.

Investigations of Journalists

On Wednesday, Mr. Sadat addressed Egypt's Higher Press Council, composed of leaders of the government-supervised press. He told them that until a detailed evaluation was made, there would be no new newspapers published in Egypt, nor would he permit the formation of additional political parties at this time.

He also said he wanted the press council to study whatever is published about Egypt abroad and to investigate any Egyptian journalist who wrote critically of Egypt. Mr. Sadat said that Egyptian journalists should cease trying to emulate the journalistic techniques of foreign countries.

"Each society has its own circumstances and traditions," Mr. Sadat said. "I want no press that imitates the American press. The American press school has failed in Egypt."

In a speech Saturday at the dedication of a new fertilizer plant at Mansura, north of Cairo, Mr. Sadat defended his recent actions as necessary to protect Egypt's experiment in democracy.

Referring to his order early in September for the arrests of 1,536 religious extremists and political opponents, all of whom are being interrogated, Mr. Sadat cautioned those still bent on mixing religion with politics.

"They have to understand that democracy has its own teeth," he said. "The next time it is going to be 10 times as ruthless."

During the address, which was frequently interrupted by applause and approving chants, Mr. Sadat said, "within the universities I don't want any political meetings because this in the past spoiled the students."

In his crackdown, Mr. Sadat banned a large number of Islamic associations, fundamentalist Moslem groups that opposed a number of his policies and were active on Egypt's campuses.

"No political activities at all within the universities," he repeated. "This is an assignment I'm giving you."

The Egyptian leader also belittled Moslem fundamentalists who favored the Islamic strictness of an Ayatollah Ruhollah Khomeini. He singled out their attitude toward women, saying, "They make them stay at home and put on a tent with only two small openings for their eyes."

Tanker Master Charged With Theft of Oil Cargo

PIRAEUS, Greece — The master of the tanker Salem, which sank early last year off West Africa, and three crew members have been charged with stealing the tanker's cargo of crude oil, insured with Lloyds of London for \$56 million.

A judiciary spokesman said a Piraeus public prosecutor laid charges on Friday against Dimitrios Georgoulis, 44, captain of the 214,000-ton tanker, two crew members and a Piraeus shipping agent.

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French President Francois Mitterrand, seated on left, with Saudi King Khalid, also seated, in Taif airport's Royal Guest Hall.

French, Saudi Leaders Split Over Issue of Palestinians

TAIF, Saudi Arabia — French and Saudi leaders examined Saudi Arabian proposals for a Middle East settlement Sunday but comments by Saudi officials indicated the two countries remained divided on an overall solution for the Palestinian issue.

President Francois Mitterrand of France on Thursday hailed the Saudi peace plan as one of the most positive factors to emerge in the Arab-Israeli dispute in recent years, met King Khalid to discuss the Middle East and bilateral relations.

Earlier, Claude Cheysson, the French External Relations minister, held two hours of talks with the Saudi foreign minister, Prince Saud al-Faisal. Diplomats said the meeting focused on the problem dividing the Arabs and Israel.

Saudi television on Sunday night quoted Prince Saud as saying that although the Saudi and French points of view were identical on many questions, they differed on others.

"The position of the French president on the Palestinian issue is now clear," the prince said. "We hope that the opportunity will arise for the king and president to consult further and try to bring their views closer together on this basic issue."

The prince's statement, also issued by the Saudi news agency, said the French position "indicates a more positive appreciation of the Arabs' foremost cause, the cause of the Palestinians and the rights of the Palestinian people."

A French delegation spokesman said Mr. Mitterrand told the king that aspects of the eight-point Saudi plan were open for debate but that France approved of its overall approach on the subject behind it.

Crown Prince Fahd, the Saudi first deputy premier and author of the plan, also attended Sunday's talks and was having a separate meeting with Mr. Mitterrand Sunday night.

The Saudi proposal calls for Israeli withdrawal from all Arab territory occupied since 1967, dismantling of Israeli settlements in occupied territories, recognition of Palestinian rights, establishment of a Palestinian state on the West Bank and Gaza Strip and international guarantees of peace for all states in the area, including Israel.

Israel, though rejecting the plan, called it a turning point in Saudi-Israeli relations because it recognizes Israel's right to exist.

The French spokesman quoted Mr. Mitterrand as saying that the plan could provide a basis for further discussions, not only between

Armenian Commando Group Warns Of Continued Strikes Against Turkey

BEIRUT — The Armenian Secret Army, which seized the Turkish consulate in Paris last week, said that it had two more "suicide commando" units ready for action.

"In the days to come, our words will be borne out," a black-headed leader of the underground organization said Saturday at a heavily guarded news conference in the leftist-controlled sector of West Beirut. He vowed that the units would "continue to strike at the Turkish establishment."

The secret army leader said the four-man commando squad in Paris had surrendered, rather than kill any hostages, after their wounded leader, Basken Sicilian, had been promised by the French authorities they would receive political asylum.

But the French government issued a statement on Friday saying that the men would be tried on charges growing out of the assault, including the death of a Turkish guard.

The clandestine group, whose full name is the Armenian Secret Army for the Liberation of Armenia, has claimed responsibility for about 200 bombings, takeovers, assassinations and other acts, including the slaying of the Turkish ambassador to Paris in 1975.

Ugandans Arrest 1,000 in Military

KAMPALA, Uganda — Authorities have arrested more than 1,000 soldiers in an attempt to curb the violence and lawlessness that have pushed Uganda to the brink of anarchy in recent months.

Announcing the arrests, Vice President Paulo Muwanga said the government would take firm measures to deal with what he termed incidents of "misbehavior by soldiers." "The government shall have no mercy to any person in uniform who breaks any law of the land," said Mr. Muwanga, who is also defense minister.

In addition to the arrests, he said others had been dismissed from the army, ranging in rank "from lieutenant colonel downwards." The news conference was prompted by the deaths of three Kenyan truck drivers in custody of Ugandan soldiers; Mr. Muwanga said two soldiers had been charged with beating the drivers.

Jewish Ex-Guerrillas Meet at Hotel They Once Blew Up

Pride and Sorrow Mingle in Memories of 1946 King David Blast, Which Killed 91 in Jerusalem

By David K. Shipler
New York Times Service

JERUSALEM — A few of the Jewish guerrillas who blew up the King David Hotel in 1946 came back to the King David last week — this time to sip champagne, reminisce and mix their pride and sorrow at the events of 35 years ago. Even now, in middle age, they had a stony toughness in their eyes.

The man who set the fuses was there. The woman who made three futile telephone calls of warning was there. The man who brought the explosives into Jerusalem, the man who guarded a key corridor, the man who was drinking quietly in the bar, were there. But their commander, Menachem Begin, now prime minister of Israel, did not attend. He had been invited and had apparently vacillated all week, and finally did not appear.

The occasion was to publicize the Hebrew-language edition of "By Blood and Fire," a book on the King David bombing by an American author, Thurston Clarke, who spent three years researching and writing a detailed chronicle of one of the most controversial incidents in the Jews' struggle for an independent homeland. The evening opened some old wounds.

At the time, the King David Hotel, a crossroads of intrigue and espionage in the Middle East, was being used in part as a headquarters by the British authorities, who had turned away shiploads of Jewish refugees trying to reach Palestine.

Among the Jews already in Palestine, there were stark conflicts about how to drive the British out and establish an independent state of Israel, differences between moderates and radicals that persist in Israeli politics today, and that surfaced again Thursday night.

The Hagannah, the largest Jewish military force, usually played the moderate role, emphasizing self-defense. The Irgun Zvai Leumi, or National Military Organization, which Mr. Begin led, worked underground to attack British and Arab targets in retribution for attacks on Jews. The Stern Gang also operated underground. Initially, all three endorsed the plan to blow up British headquarters at the King David.

They were provoked by a British Army action against Jewish leaders and settlements on June 29, 1946. On that "Black Saturday" about 25,000 soldiers smashed into homes and kibbutzim, arresting 2,500 Jews and confiscating weapons.

"One search party marched into the dining hall at Givat Brenner shouting 'Heil Hitler!' Mr. Clarke wrote. "Another party scrawled red swastikas on the walls of the settlement's classrooms. While planted bombs in the hotel. Please vacate it immediately. See, we warned you."

Then, she said, she ran to King George Street and phoned the French Consulate, which was near the hotel. Then she went further along and phoned The Palestine Post, a newspaper that is now The Jerusalem Post. She walked slowly up Jaffa Road, and as she passed a police station near the market at Mahane Yehuda, she recalled, "I heard the big explosion."

She learned later that the British had ignored her warnings, she said. "I was baffled; there were, genuinely trying to save lives, and they took no heed."

Mr. Begin's Irgun took on the task of blowing up the King David, but only after warning the British so that they would evacuate the building, Mr. Clarke finds. Adina Hay-Nissan, then a teen-age girl who moved easily as an Irgun courier, was given the job of calling in the warning.

She recalled Thursday that she had waited for a long time outside the hotel until she got a signal that the charges were planted. Then she

telephoned the British command from a pharmacy across the street, she said, and spoke first in English, then in Hebrew: "This is the Hebrew resistance uprising. We planted bombs in the hotel. Please vacate it immediately. See, we warned you."

He is a small muscular man with a rough face and a smile that does not touch his eyes. "I was sorry a long time afterwards," he said, "but they had a lot of time, more than half an hour, they all had time to get out."

Yizhak Tobiana, who guarded a corridor, said, "I am very proud of the operation militarily. I felt myself like a soldier of these Jewish forces. But, I feel very sorry about the number of victims."

Teddy Kollek, now mayor of Jerusalem, then a moderate mem-

ber of the Jewish Agency, arrived about 100 people and began with a minute of silence for the 91 killed in the blast — British, Arabs and Jews. "I am sorry about what happened about the casualties," said Israel Levi, who now sells office supplies, and then, under the code name Gideon, set the fuses.

To which Irgun's Jerusalem-area commander at the time, Yizhak Avinoam, replied that "after the action itself there was a feeling of sadness and mourning," but that the aim was accomplished. He accused Mr. Kollek of turning over to the British "a list of 1,000 underground fighters, and I would call this collaboration with the British." The mayor had already left and did not hear the accusation.

The sponsors deliberately focused on Israel and ignored the fact that other member states do not comply with IAEA statutes," he said. "No action was taken when India set off a nuclear device in the wake of Pakistani activities to produce nuclear weapons and after the Iranian bombing of the Iraqi Tamuz reactor."

"For its part, Israel has taken a number of initiatives on the establishment of a nuclear weapons free zone in the Middle East, and the resolution has been distinctly unhelpful to that cause," the spokesman said.

Nuclear Agency Defers Decision on Suspension of Israel

VIENNA — The International Atomic Energy Agency voted Sunday to defer until next year a decision on whether to suspend Israel's membership because of its attack on an Iraqi nuclear reactor.

But in a resolution adopted by a vote of 51-28 with 27 abstentions, the agency's annual general conference said that all technical assistance to Israel should be halted immediately.

The resolution, an amended version of a draft prepared by 18 developing nations, was worked out after a week of argument. It struck a compromise between demands by Islamic countries for Israel's immediate suspension and Western moves to maintain Israel's membership in the 111-nation body while condemning its action.

The resolution said the atomic energy agency would consider suspension of Israel at its regular general conference next fall if Israel had not by then complied with a United Nations Security Council resolution, calling on it to open its nuclear facilities to inspection by the agency.

Cutting Off Technology
The resolution described the June raid on the Osirak reactor near Baghdad as an act of aggression that struck also at the international agency and its safeguards system, which is aimed at preventing the diversion of nuclear materials to military use.

It called on agency members not to transfer to Israel nuclear materials that could be used for weapons. Israel's delegate, Uzi Eilam, described the agency's decision as

"arbitrary and discriminatory on political grounds."

"The decision to destroy Iraq's nuclear reactor," he said, "was only taken when it became evident that Iraq was on the verge of producing nuclear weapons."

Several Latin American countries were among those that voted in favor of the resolution. The United States opposed it, and the 10-member European Economic Community and Canada abstained.

In another action, the agency appointed a former Swedish foreign minister, Hans Blix, as director-general, a spokesman said. He

succeeds Sigvard Eklund, a Swede who has held the post for 20 years.

Mr. Blix, who is also assistant professor for international law at Stockholm University, will succeed Mr. Eklund when the director's term expires in November.

Agency Rebuked by Israel

JERUSALEM (Reuters) — Israel said Sunday that the International Atomic Energy Agency had lent itself to being an instrument of political warfare by its decision to halt technical assistance to the country.

Havana Sees Cuba-U.S. Tension Growing

By Christopher Dickey
Washington Post Service

HAVANA — Cuba is preparing for "the eventuality of a total war" in the face of the Reagan administration's increasing hostility, according to published statements by President Fidel Castro and interviews with other Cuban officials.

As part of this preparation, the Cuban militia is building toward a strength of one million, more than 10 percent of the island's population, according to the officials.

Arms shipments are reported to be arriving in quantity from the Soviet bloc. Reserves are being called up, possibly to increase the Cuban presence in Angola as well as reinforce domestic defenses.

Cuban officials said they were no longer sending arms to guerrillas in El Salvador or elsewhere in the Caribbean basin, but they said Cuba previously had sent weapons

to the Salvadoran rebels, Mr. Castro and others add, moreover, that they would feel a moral obligation to resume supplies if there were means to do so.

Events as far away as Poland and Africa have combined with U.S. hostility to spur the Cuban buildup. The regime has not forgotten Mr. Reagan's suggestions during his campaign that a naval blockade might be used against Havana, and they take at face value the remarks of Secretary of State Alexander M. Haig Jr. and other administration officials.

"Haig has threatened us in every way possible," said Vice President Carlos Rafael Rodriguez. "He has said that he now has ready all sorts of options. When one talks of all sorts of options and doesn't exclude the military, well, then one includes the military."

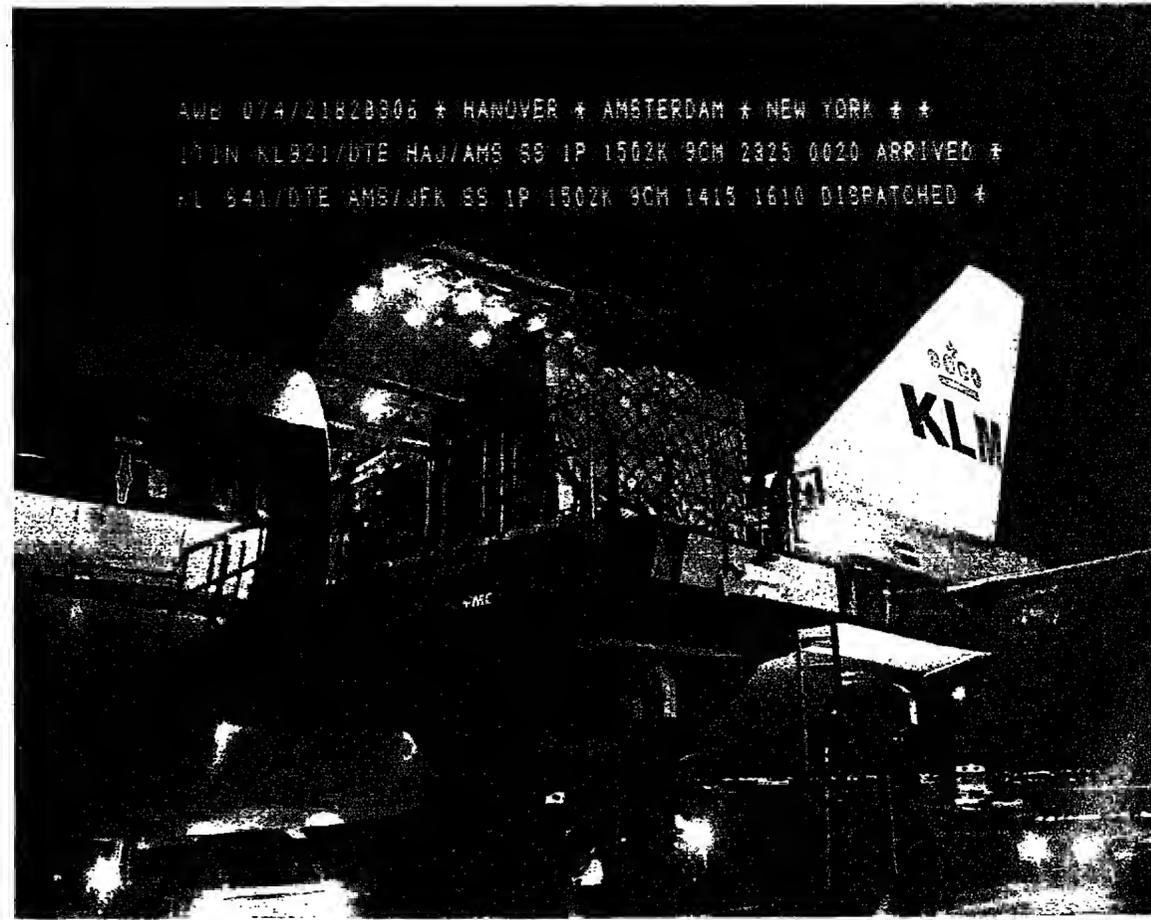
The Cubans portray the possibility of Soviet intervention in Po-

land as an indirect threat to themselves.

"High American authorities have said that if something happens in Poland the United States would feel free to act in other countries," Mr. Rodriguez said. "The closest country is Cuba. For someone with understanding, few words suffice."

South Africa's recent invasion of Angola also had a profound effect on Cuba, which feels a strong commitment there. Mr. Castro has accused the United States of backing the South African move against Angolan bases of the guerrillas fighting to oust the South Africans from South-West Africa (Namibia). There are about 30,000 Cuban troops in Angola now, and more may be on the way.

Reports have circulated at low levels for several weeks that reserves are being called up on a voluntary basis for Angola.



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13 U.S. Atomic Plants May Be Endangered By Radiation-Weakened Shells in Reactors

By Matthew L. Wald
New York Times Service
HARTFORD, Conn. — The thick steel shells of the Connecticut Yankee nuclear reactor and 12 other reactors around the United States are being turned brittle by radiation so rapidly, nuclear regulatory officials say, that some of the plants may become unsafe to operate by the end of next year.

Utilities and the Nuclear Regulatory Commission are trying to determine the gravity of the problem, but commission staff members say it is certain that at least some of the plants will need substantial repairs. A high-ranking staff member said that to assure safety, some reactors might have to be modified or shut by the end of next year.

"On the information available today, I would start to say we'd get

very nervous after another year or so," said the staff member, Thomas Murley, director of safety technology. He added, however, that new information could show the problem to be more distant.

The affected reactors are in California, Connecticut, Florida, Maine, Maryland, Nebraska, New York, South Carolina and Wisconsin.

Utilities Disagree

Spokesmen for the utilities affected disputed the officials' assessment, saying their plants were safe and, because so much money was invested in them, they would not operate them if they thought there could be an accident that would crack the reactors. They said it would take an unusual combination of circumstances to crack even a weakened pressure vessel.

"We are not worried at all," said Gary Doughty, a spokesman for Northeast Utilities, which operates the Connecticut Yankee reactor on the Connecticut River in Haddam Neck. An engineer for Northeast, Eric DeBarba, said the utility planned to re-examine its calculations "to see what the real margins are." But he said he did not expect any repairs to be necessary.

The problem arises because radiation affects the metal of the reactor pressure vessel, the steel cylinder that surrounds the uranium core, where the nuclear chain reaction takes place. The vessel, which cannot be replaced once a plant is built around it, is designed to last for the 40-year life of the plant.

The commission is already investigating a problem involving steam generators, which are also wearing out faster in some plants than originally expected. The steam generator problem has forced four plants to shut for expensive repairs.

Reactor operators have long known that the radiation of neutrons bombarding the reactor vessel reduces the ability of the 8-inch-wide (20-centimeter-wide) steel to withstand changes in temperature and pressure. But recent tests have shown that the brittleness is developing far faster than expected.

Temperature Changes

In recent months, the Nuclear Regulatory Commission has become concerned that sudden changes in temperature could crack a brittle vessel, letting the water leak out.

Some officials said that the core, with a loss of coolant, might then melt down, a catastrophic accident. "I don't think anyone would feel confident that a vessel would hold water after a crack," said Mr. Murley of the NRC. "You'd lose cooling, and eventually you'd have a meltdown."

The type of reactor with the brittleness problem is called a pressurized water reactor, because the water in it is kept under pressure of about 2,200 pounds per square inch, to keep it from boiling away.

These are the other reactors being watched for brittleness: The Ontario Public Power District's Fort Calumet 1 plant; Florida Power and Light's Turkey Point 3 and 4 plants; Southern California Edison's San Onofre 1 reactor; Central Maine Power's Maine Yankee plant; Wisconsin Electric Power Co.'s Point Beach 1 and 2 plants; Baltimore Gas and Electric Co.'s Calvert Cliffs 1 and 2 plants; Rochester Gas and Electric Co.'s Robert E. Gima reactor in New York State; the Duke Power Co. Oconee 2 plant and Carolina Power and Light Co.'s H.B. Robinson 2 plant, in South Carolina.



HIJACK ENDING — Passengers and police at Larnaca airport applauded the captain of a Yugoslav airliner, Dubouin Zekavica, center, after he outwitted three hijackers who diverted the 727 jet to Cyprus from a domestic flight. The 98 passengers and nine crew members staged a mock fire alarm to confuse their captors, who surrendered Sunday.

First Phase of Decontamination Process Is Completed at Three Mile Island Plant

By Ben A. Franklin
New York Times Service
MIDDLETOWN, Pa. — Two and a half years after the worst accident in the history of commercial nuclear power, officials announced that the first significant decontamination of the Three Mile Island nuclear reactor had been successfully completed.

The work, which they described Friday as "historic," cleaned 15,000 gallons of highly radioactive water, of the 600,000 gallons in the bottom of the Unit 2 containment building, and reduced the 8-and-one-half-foot water level by about 2 inches. Until all the water is removed, a process that may take a year, such crucial decontamination work as removal of the reactor's spilled and scattered radioactive fuel cannot begin.

Officials of GPU Nuclear Inc., the operator of the twin reactors, said the underfinanced decontamination work was not going fast enough. And Robert C. Arnold, the chief GPU executive, said the delays could turn Three Mile Island into a nuclear menace again.

Mr. Arnold confirmed reports that key instruments in the reactor core, now on "cold shutdown," may have been "degraded" because inspection and maintenance could not be carried out in the vessel's still dangerously radioactive environment.

"They are not degraded in terms of current performance," he said, "but we may have a problem. We may not get advance warning that

the instrumentation is failing. It's as if your car radiator were breaking down and you didn't know it until it started boiling over. We just don't know."

The salvage operation at Three Mile Island's Unit 2, expected to cost more than \$1 billion, has so far been allocated only about \$240 million, from GPU's \$300 million insurance coverage.

The company's undamaged Unit 1, which could be operating and earning revenue, has been shut since the accident for a Nuclear Regulatory Commission review of the company's ability to run it.

Meanwhile, without the earnings that Unit 1 would bring, GPU is not only going slow on decontamination of Unit 2 but its officials say it is skirting bankruptcy.

A complicated underwater device was built, at a cost of \$11 million, to purge the water of about 560,000 curies of cesium 137 and strontium 90, the radioactive materials that spilled out of the overheated reactor core in 1979.

The so-called submerged demineralizer system will cost another \$4 million to \$5 million to operate in the nine to 12 months that officials said would be required to trap the contaminants in stainless steel cylinders for shipment to a government disposal area.

The cylinders contain zeolite, a mineral that has a chemical attraction for the ions of cesium and strontium. But when 99 percent of the radioactive elements have been removed, officials said, other problems will remain, since the zeolite will not remove radioactive tritium.

In an out-of-court settlement of a lawsuit filed by Lancaster, Pa., the company has agreed not to dump the cleaned but tritium-laced water into the Susquehanna River until 1983, so studies can be conducted. Lancaster draws its drinking water from the Susquehanna, 17 miles below Three Mile Island.

Pope's Blessing On Missile Talks

CASTEL GANDOLFO, Italy — Pope John Paul II in a clear reference to the U.S.-Soviet nuclear missile talks planned to start Nov. 30 in Geneva, said Sunday he supports all efforts to "eliminate the possibility of war and make cataclysms impossible."

"It is a problem of fundamental importance that discussions should be undertaken for the cause of peace, particularly between those parties who are most responsible for this matter," the pope said in his weekly blessing, given at his summer retreat where he is convalescing from his gunshot wounds.

"I want to give my heartfelt support to all efforts designed to assure peace in the world," John Paul II said. "It is necessary to make a continual and constantly more energetic effort to eliminate the possibility of war and make cataclysms impossible."

Mr. de la Madrid's nomination indicated that Mexico will continue the program of economic expansion started by President Jose Lopez Portillo in 1976 and based largely on the nation's oil riches. But whether Mr. de la Madrid will continue Mr. Lopez Portillo's foreign policy of expanding influence abroad is uncertain.

In his acceptance speech Friday night, Mr. de la Madrid told a rally of thousands of PRI supporters at the National Palace that his policies would be "self-determination of people, nonintervention, a peaceful solution to disputes" and a just economic order.

"Road to Democracy"

"We will advance along the road to democracy, we will strengthen popular participation in political decisions... and we will amplify popular participation in production, in distribution, in the riches with greater social justice," he said.

A major bank's foreign trader said Mr. de la Madrid is "pro-business and pro-banking."

Mr. de la Madrid will run in elections next July and if he wins, which is a virtual certainty, will be sworn in the following December when Mr. Lopez Portillo's six-year term expires.

Mr. Lopez Portillo had said the PRI candidate would not be revealed until after the Oct. 22-23 North-South summit at Cancun because he did not want to weaken his influence there. The summit will bring together leaders of 22 nations.

Newspaper reports here say that Mr. Lopez Portillo had been pressured by business groups to reveal the candidate on ground that investments in the country were declining because of the uncertainty.

Nine parties are legally recognized and allowed to run candidates. Only one other than the PRI, the small leftist Mexican

Mexican Business Delighted By Presidential Candidate

MEXICO CITY — Selection of Miguel de la Madrid Hurtado as the presidential candidate of Mexico's ruling party has delighted businessmen. It also has ended months of speculation whether the next leader would be a politician or economist.

Mr. de la Madrid, 47, is the minister of planning and budget. He has a Harvard education and 16 years of experience in economic posts.

The Bolsa, Mexico's stock market, jumped sharply at news of his selection by the powerful Revolutionary Institutional Party, known as PRI. The PRI, which has dominated Mexican politics for 50 years, controls all state governorships and most municipalities. Its candidate is considered unbeatable and usually has only token competition.



Miguel de la Madrid Hurtado

Democratic Party, has picked a candidate so far.

The Communist Party, legal here since 1977, is running as a coalition with some smaller leftist parties. The conservative National Action Party is Mexico's second largest party and is expected to pick a candidate soon.

Police estimated the crowd at 10,000. Organizers said 20,000 were on hand for the conclusion of a week of protest against nuclear power during the weekend in this eastern city.

The week began with three days of clashes at the nearby Dodeward power plant, one of two nuclear power plants in the country. On Tuesday, the organizers called off a blockade that was to have lasted all week, because of the increasing violence and threats from area residents.

Nuclear Protest Is Held by Dutch

ARNHEM, Netherlands — Thousands of demonstrators held a peaceful protest against nuclear power during the weekend in this eastern city.

Police estimated the crowd at 10,000. Organizers said 20,000 were on hand for the conclusion of a week of protest against nuclear power during the weekend in this eastern city.

The week began with three days of clashes at the nearby Dodeward power plant, one of two nuclear power plants in the country. On Tuesday, the organizers called off a blockade that was to have lasted all week, because of the increasing violence and threats from area residents.

Volcano in Alaska Erupts

COLD BAY, Alaska — Pavlov Volcano on the Alaska peninsula erupted Saturday for the second time in less than a year, spewing ash and steam thousands of feet in the air, the U.S. Geological Survey said. The 8,905-foot (2,698 meters) volcano is in an uninhabited area about 35 miles (58 kilometers) northeast of Cold Bay and about 600 miles southwest of Anchorage.

Elections in Belgian Crisis Are Essential, Envoy Says

BRUSSELS — The royal mediator concluded Sunday that general elections were the only way to solve the Belgian political crisis, one of the most serious since the war.

Elections were not due until early in 1983.

Willy Claes, deputy premier in the center-left coalition of Mark Eyskens that resigned Monday after 169 days in office, said on television Sunday that he would report Monday to King Baudouin on the results of his four-day information-gathering mission, concluding that only elections could break the political deadlock.

If the king dissolves Parliament, elections must be held within 40 days. The most likely date seemed Nov. 8.

Belgium's leading political party, the Flemish Social Christians, had criticized the royal mission. Its youth organization assailed the king for trying to avoid elections and keep Socialists in the government.

The attack on the monarchy by Flemish Roman Catholics, nor-

mally its staunch supporters, was a clear sign of the gravity of the political crisis.

The electoral campaign will pit Flemings against French-speaking Walloons.

While the Flemings are expected to maintain their majority in Parliament, it seems likely that the most aggressive parties in each language area will gain more seats.

No political party has a majority and coalitions of at least three or four parties are needed to form stable governments.

Recent polls had shown that opposition Liberals and other smaller conservative parties calling for tax and social security cuts were in the lead. But the renewed language conflict between the Flemish north and Walloon south seems likely to blur this conservative reaction, and benefit those who will put all the blame on the other ethnic community.

The fate of the Walloon steel industry triggered the government crisis. The industry is losing 1 billion francs (\$25 million) a month and only state subsidies are staving off bankruptcy. Walloon Socialists insisted that banks be forced to pump in more funds, and their stubbornness toppled the center-left coalition of Social Christians and Socialists.

In the south, some Walloons, including the tough Socialist steelworkers union in Liege, are already calling for Walloon autonomy.

"The same will to fight in all of Wallonia," a headline in the Communist daily Drapeau Rouge said on Saturday. The conservative Nouvelle Gazette called for "a united front against the Flemish majority."

Malta Chief Says Russia Backs Its Neutrality

VALLETTA, Malta — Prime Minister Dom Mintoff of Malta says the Soviet Union has agreed to sign a formal agreement supporting the neutral status of the strategically located Mediterranean island nation.

Western countries had feared that Malta might join the Soviet camp through ties with nearby Libya.

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INTERNATIONAL
Herald Tribune
Published with the New York Times and the Washington Post

International Bond Prices - Week of Sept. 24

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

RECENT ISSUES table with columns for Security, Issue, Price, Yield, and Life.

STRAIGHT BONDS All Currencies Except DM

STRAIGHT BONDS table with columns for Security, Issue, Price, Yield, and Life.

Table of international bond prices, including columns for Security, Issue, Price, Yield, and Life.

HIGHEST YIELDS to Average Life Below 5 Years

Table listing highest yields for bonds with average life below 5 years.

HIGHEST YIELDS to Average Life Above 5 Years

Table listing highest yields for bonds with average life above 5 years.

HIGHEST CURRENT YIELDS

Table listing highest current yields for various bond issues.

HIGHEST YIELDS to Average Life Below 5 Years

Table listing highest yields for bonds with average life below 5 years.

HIGHEST YIELDS to Average Life Above 5 Years

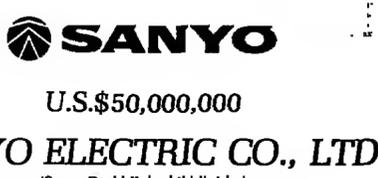
Table listing highest yields for bonds with average life above 5 years.

HIGHEST CURRENT YIELDS

Table listing highest current yields for various bond issues.

DM STRAIGHT BONDS table with columns for Security, Issue, Price, Yield, and Life.

These Bonds having been sold, this announcement appears as a matter of record only.



5 per cent. Convertible Bonds due 1966 ISSUE PRICE 100 PER CENT.

- List of international financial institutions and their agents, including Abu Dhabi Investment Company, Amro International Limited, Bank Julius Baer International Limited, etc.

DM STRAIGHT BONDS

WestLB advertisement for Eurobonds, DM Bonds, and Schuldscheine, including contact information for Dosseldorf, London, and Luxembourg.

Reagan Speech Leaves Bond Market Up in Air

By Carl Gewirtz International Herald Tribune PARIS — Activity in the dollar sector of the Eurobond market came to a near halt Friday as dealers awaited some clue on how to interpret President Reagan's Thursday night speech promising more budget cuts.

In fairness, it should be noted that Eurobond prices tended to ease Friday, indicating that deep in their gut, market-makers knew which way the wind was about to blow. But they obviously were not prepared for the whirlwind of disinvestment that tore through Wall Street, leaving bond prices at record lows and yields at record highs.

Ironically, it has been a long time since the bond market has not been in as good a technical position as it is now. For most of this year, short-term rates have been in the stratosphere of 20 percent while yields available on longer-term instruments were much lower. These "inverse" conditions made it impossible for dealers to finance borrowing short-term to finance holdings of long-term paper. And with middlemen unwilling

to inventory bonds, marketing new issues was close to impossible. Now, however, the yield curve has returned to normal. Short-term rates in New York (14 percent for overnight money) and the Euro-bond market (15 percent for one-week funds) are well below yields on longer-term paper. This allows dealers to borrow money to hold higher yielding paper at a profit. In fact, it is this positive yield gap that enabled the calendar of

EUROBONDS

new Eurobond issues to expand as it has over the past two weeks.

But the rout in New York Friday demonstrates that professionals there do not believe either that short-term rates can stay as low as they are for long or that long-term rates, regardless of what happens to day-to-day costs, can be prevented from rising. The professionals got another jolt when, after the market closed, the Federal Reserve reported a \$4.5-billion increase in the amount of commercial paper outstanding last week, the biggest weekly gain ever. Such volume analysts fear, must ultimately drive rates up.

The foreign exchange market clearly believes short-term rates are headed higher, as does the gold market. The dollar ended the week at 2.385 Deutsche marks (late West Coast trading Friday) compared to the 2.26 DM it closed at the previous week. And gold, which ended at \$446.75 in London on Friday, finished in New York at \$431.50 with traders explaining that holders feared their financing costs were about to soar.

From a purely technical view, there should be no reason to worry about rising interest rates. The U.S. money supply is expanding at less than the target rate and the Federal Reserve can reasonably be expected to be adding liquidity to the market. As Salomon Brothers economist Henry Kaufman said Friday:

"The decline in money rates is still largely the consequence of the Fed's liberal infusion of nonborrowed reserves which... has not yet had a stimulative impact on the growth of shift-adjusted M1-B."

Some Leeway for the Fed This measure of the money supply, he noted, "has actually fallen at a 2.6 percent annual rate over the past four weeks and is virtually unchanged over the past eight weeks. M1-B would have to increase \$3 billion per week during the last three weeks of September in order for it to reach the Fed's interim target of a 7-percent annual rate of growth from June to September. As a result, the Fed may still have some leeway for more reserve provisioning, which would allow the funds rate (the cost of overnight money) to slip a little further."

This in turn, he added, could lead to a further reduction in the Fed's surcharge on the discount rate applied to frequent and heavy borrowers as well as a further cut in the prime rate of commercial banks. Quite apart from what happens to short-term rates — and Mr. Kaufman himself suggested the anticipated surge in the broader money-supply measures, M-2 and M-3, will constitute the Fed's room for maneuver — medium- and long-term lending rates are going to be pushed by the coming crunch of government issues needed to finance the deficit, which the federal government is seriously underestimating. Mr. Kaufman has been cautioning this since the Reagan economic program was first unveiled.

Good News Was Eclipsed The widening realization that this is about to happen eclipsed other news last week that would have boosted bond prices. The \$1-billion gain in the latest M1-B money-supply figures reported late Friday was just as the market had expected, the inflation rate is (Continued on Page 10, Col. 5)

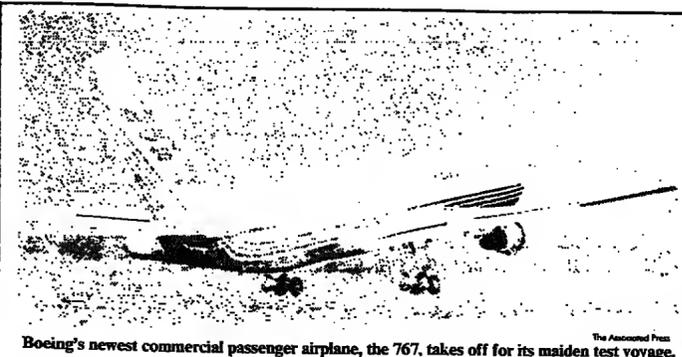
Airbus Is Asked For Changes in Purchase by MEA BEIRUT — The chairman of Middle East Airlines is in France discussing revised conditions for the purchase of five wide-bodied European Airbus jets with Airbus Industrie, an MEA spokesman said over the weekend.

The Beirut-based airline initiated an agreement last November to buy five of the twin-engine planes at a cost of \$350 million, but it has run into severe financial problems since then and has postponed finalizing the deal.

Earlier this month MEA chairman Assad Nassif said the deteriorating political situation in Lebanon had caused a 69 percent drop in business and MEA was now losing an estimated 12 million Lebanese pounds (\$2.5 million) a month.

MEA said it still wants to go ahead with the Airbus deal, but has to sort out its financial problems. It is negotiating a soft loan from the Lebanese government of \$40 million.

In Tokyo Friday, Japan's Toa Domestic Airlines said it would ask Airbus Industrie to delay until June 1983, delivery of the last three of nine Airbus ordered in 1979.



Boeing's newest commercial passenger airplane, the 767, takes off for its maiden test voyage.

Boeing 767 Gets Top Marks in 1st Test

EVERETT, Wash. — Boeing's new twinjet 767 jetliner has made a successful maiden flight, though the plane's landing gear remained down because of a hydraulic leak, the company's 767 project pilot said. The leak was in the plane's nosewheel retraction system and forced the crew to leave the nose and main landing gear down during the two-hour flight, test pilot Tom Edmonds said Saturday. Mr. Edmonds said he was not concerned about the aircraft's safety, because the 767 has three hydraulic systems. The plane will return to the air in four or five days, after ground tests, Boeing officials said. Except for the hydraulic leak, the flight was without problems, Boeing officials told a news conference after the flight.

He was test pilot for the 727 tri-jet, introduced in the early 1960s, and said the newest Boeing jetliner was much smoother than the 727. Saturday's first test flight of the new twin-jet craft was the first step in a 10-month testing program aimed at obtaining Federal Aviation Administration certification next July, Boeing Commercial Airplane spokesman Bill Mellon said earlier. Tests of the 211-passenger, medium-range 767, which costs \$40 million, will determine that "all the systems are working and the airplane is handling the way we expect it to handle," Mr. Mellon said. The last maiden flight for a new-model Boeing jetliner was the inaugural flight of the 747 jumbo-jet in February, 1969. United Airlines was the first of 17 airlines which have placed orders for 173 of the 767s and have taken options for 138 more, Mr. Mellon said.

Business Circles React Favorably To Reagan's Latest Budget Moves

NEW YORK — Business executives and top bankers generally applauded President Reagan's attempt to reduce the federal deficit through an additional \$13-billion spending cut and a \$3-billion tax increase, calling the measures necessary and appropriate. But there was some concern that the call for increased business taxes might mean that the administration's economic program was unraveling under political pressures. "This was necessary fine-tuning," said Alfred Britton 3d, chairman of Bankers Trust New York. "I think he's on absolutely the right track. Overall, it was a very forceful presentation, and it showed me how committed he is to his program."

much, they're impatient. The tax program doesn't even start until Oct. 1." Mr. Shinn added that "both parts of the president's proposals are necessary." He said, "These are refinements that are necessary because the president couldn't get a big enough budget cut earlier. And you've got to increase revenue. It's simple arithmetic. I don't think the president has reneged on any promises. These are all reasonable." Willard C. Butcher, chairman of Chase Manhattan, said he would "not even call them tax increases, these are the elimination of loopholes." He added, "The president has stayed with the fundamentals of his basic program and he's not finding areas for further cuts. "It's no longer a question of the Reagan policy working," Mr. Butcher said. "The question is whether Congress has the courage to enact the Reagan program. If Congress, not Reagan, that has the responsibility for failure."

On Wednesday, the day before the president's speech, Treasury Secretary Donald T. Regan met privately with the heads of six major corporations as part of the administration's effort to mobilize support for its economic programs within the business community. C.C. Garvin Jr., chairman of Exxon and chairman of the Business Roundtable, who attended the meeting, praised the president's speech Friday, saying that further spending reductions "may be painful, but they are necessary."

This theme was echoed by William J. Clark, chairman of Massmutual Mortgage and Realty Investors of Springfield, Mass., who said he was "sympathetic to the general policy of getting inflation under control and doing what needed to be done." Economists doubted whether the proposed spending cuts and tax increases would help much in reducing the federal budget deficit. They noted, however, that the economy is far stronger than it may appear to Wall Street, despite high interest rates. "I'm skeptical the revenue measures will pass, and I'm skeptical that the cuts will materialize," said

Tax Change 'Disruptive' "Change is the thing that I object to the most," said Paul Thayer, chairman of LTV and vice chairman of the U.S. Chamber of Commerce. "The main thing the Reagan administration program promised the free enterprise system was a stabilized set of tax laws that we could count on. All the financial planning was done on the basis of what companies thought the tax law was going to be. To change it at this date would be disruptive."

In an attempt to meet his goal of a balanced budget by 1984, President Reagan proposed \$13 billion of cuts, mostly in social welfare programs, and changes in business taxes that would yield \$3 billion in the fiscal year 1982 and \$22 billion over the next three years. The tax measures would require mainly accelerated payments by business of federal taxes and would tighten the use of tax-exempt industrial development bonds.

Business leaders agreed that these measures were necessary if the president's economic program, which they heartily support, was to be effective. But they said that the president's new proposals were probably insufficient to calm the financial markets, which many criticized for reacting negatively and harboring unrealistic expectations of an overnight economic miracle. "The market has overreacted," said George L. Shinn, chairman and chief executive of the First Boston Corp. "The market and some business people expect too

Japanese 'Likely' Pick For Indonesia Venture HONG KONG — Japanese interests, as yet unnamed, are likely to be chosen as joint venture partners with Pertamina, Indonesia's state oil firm, in a major petrochemical complex at Aceh in northern Sumatra, industry sources said. They said Friday three Japanese firms are competing for the project, which involves plants to produce vinyl chloride monomer, ethylene dichloride, chlorine and caustic soda.

CURRENCY RATES

Table with columns for Currency, Per U.S. \$, and Dollar Values. Includes sub-tables for Dollar Values and Dollar Values.

Tough Policy of U.S. Is Expected To Cause Friction at IMF Meeting

By Hobart Rowen Washington Post Service WASHINGTON — For at least two years, the International Monetary Fund has been trying to shed its "Uncle Scrooge" image in the Third World.

Its reputation as a hard-shelled money-lender, demanding tough "conditionality" from the poor nations of the world, whether deserved or not, was widespread. Now, as the IMF prepares to meet here Tuesday through Friday in its 36th annual meeting with its sister agency, the World Bank, it is being accused by the United States of going too far in the other direction — an attitude that caused a spokesman for poor member-nations of the IMF to suggest this weekend that those nations might have to consider withdrawing from the agency.

"We think that the IMF could be a little more strict... [with] some of the larger developing countries and some of the more prominent less-developed countries," U.S. Treasury Secretary Donald T. Regan told reporters last week. Mr. Regan is also the U.S. governor for IMF and the World Bank.

Deep Suspicion What it comes down to is a deep suspicion of Third World ideologues and Brandt Commissioners who talk in terms of a "new international economic order," regarded as a euphemism for redistribution of income from the rich to the poor. The Reaganites advocate a bootstrap-up operation in the less developed world, replete with tax reductions and incentives for business.

"The U.S. is bent on a new supply-side imperialism," said a Democratic Congressional aide. "There is a view in the administration that there is too much power lodged in governments, and this is sending a worrisome message to the Third World." In many situations, it is pointed out, the Reagan administration's desire to give aid more directly to the private sector, and less through governments, will be frustrated because in some of the poorest nations, there is no private sector.

At the annual meetings, the IMF will be hearing a different pitch from the United States. "We will be... insisting upon more strict fiscal policies and more strict monetary policies within the countries themselves, as conditions [for the loans]," Mr. Regan said. There has been an undercurrent of irritation between the IMF and the United States ever since the agency's Interim Committee, at its spring meeting in Gabon, rejected the U.S. choice of British Chancellor of the Exchequer Sir Geoffrey Howe as chairman, and turned in

European Equity Markets Growing at Cost to Tokyo

One Big Welfare Program The probable collision of U.S. policy with IMF-World Bank practices and programs may momentarily drive the world's macroeconomic difficulties into the background at the annual meetings. The new U.S. policy, certain to put a greater credit squeeze on the Third World, is justified by the Reagan administration as a consequence of budget austerity being experienced in the United States. But it also reflects the ideological disposition of the most conservative elements among Mr. Regan's advisers, who regard development aid programs — especially the World Bank's — as one big welfare program. To some extent, State Department officials have tried to maintain a more generous stance toward the Third World countries than the Treasury. But the differences are mostly a matter of style. A leading State Department poli-

folio manager, as long as returns available elsewhere were markedly less. Mr. Hockin noted that, for the year through mid-August, a U.S. investor who theoretically purchased on the Japanese market, as measured by the new broadly based Tokyo index, would have had gains of 23 percent after adjustments for currency fluctuations. This compares with a gain of just 6 percent in Standard & Poor's 500-stock index for the same period, while the same investor in West Germany would have suffered a 30-percent loss. In U.S. dollar terms, major European markets are now back to where they were at their 1974 bear market lows. Keystone now believes that returns available in the major Western European markets over the next 12 months, currency adjusted, will be superior to those available in Japan.

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Euromarket Passes \$100 Billion For 1st Three Quarters of 1981

(Continued from Page 9)
more generous than the indicated 0.375 percent, as they will share fees not available to other participants.

Indicative of just how favorably international banks now look upon Southeast Asia as a place to lend (Malaysia will be next with equally favorable terms), Quebec is in the process of arranging a loan of \$600 million that could be increased to \$750 million. Terms have not yet been set, but bankers report it will be either for eight or 12 years with the margin likely to start at 1/2 point over Libor for the first four years and rising to 3/4 point over Libor for the next four years and 1/2 point over Libor thereafter.

Meanwhile, Algeria's state oil company Sonatrach is seeking to renegotiate the terms on a \$500-million, 10-year loan arranged in 1979 at 1 point over Libor. Sonatrach is seeking to reduce the margin to a split 1/2-1/2 point over Libor for the remaining eight years.

Nervous About Greece
Despite the difficulty bankers had in syndicating the recent \$220-million, 10-year loan for Greece's Public Power Corp., GTE is currently in the market offering terms that are only moderately less demanding. PPC was syndicated with a margin of 7/16 point over Libor for two years, and a half-point thereafter. Managers were forced to syndicate only an eight-year loan (keeping on their books the total for the final two years) and then sold off only about \$24 million.

OTE is seeking \$60 million for 10 years at a half point over Libor. The amount is much smaller and the terms modestly better. Nevertheless, the loan is not expected to be widely syndicated — the upcoming elections have bankers nervous about the outlook in Greece — and a small "club" of banks will do the deal under the direction of Midland Bank.

Olympic Airlines will be the

next Greek borrower and is expected to seek up to \$100 million.

A number of U.S. firms are in the market.

Marathon Oil is seeking \$270 million, of which \$200 million is new money and \$70 million a refinancing. The eight-year transaction is a project loan with repayment tied to production, and the margin is 1/2 point over Libor.

Carolina Power & Light arranged a \$130-million, five-year loan at a split margin of 1/2 for the first three years and 3/4 for the remainder. The loan was managed by Morgan Stanley.

Boston Edison is raising \$75 million for five years, offering 3/4 point over Libor for the first three years and 1/2 point thereafter.

Provident National Corp., a Philadelphia-based one-bank holding company, is seeking \$50 million for six years, offering 3/4 point over Libor for the first two years, and half a point thereafter.

In Brazil, the Airport of Rio de Janeiro is seeking \$60 million cut into an eight-year loan with a margin of 2/4 point over Libor and a 3/4-year loan with a margin of 1/2 point over Libor. The amounts in each portion will be determined by the market's response.

Pemex Formula
From Mexico's private sector, Celonese Mexicana is raising \$80 million for seven years using the Pemex formula that is running into so much difficulty — issuing to the market six-month notes bearing interest at a quarter-point over Libor. Managers will take up the notes in the event they cannot be marketed.

A widening cash crisis in Romania has forced managers Manufacturers Hanover Trust, Bank of America, Bankers Trust and Bank of Tokyo to delay their efforts at completing an \$80-million, eight-year loan that was to help finance the purchase of nucle-

ar power plant equipment from General Electric.

Syndication proved impossible because Romania is technically overdrawn in its bank accounts. Bankers report having upward of \$500 million of payment orders from Romania that they are unwilling to execute because there are not sufficient funds on deposit to cover the payments.

This has been going on for some weeks, raising fears that Romania is headed down the same bankrupt financial road as Poland. Bankers close to Romania express confidence that its current difficulties will soon be ironed out. But the market clearly wants proof before extending new credits.

Photo Cells Give Ametek 'Light' Future

New York Times Service
NEW YORK — On the table was a portable nine-volt radio, about the size of a thick novel. It had no batteries or electric plugs to run it, only a thin film photovoltaic cell. When a cover was lifted, exposing the cell to the light in the room, the radio began to play.

Though it may appear to be a parlor trick, the conversion of light into energy has become a serious business at Ametek Inc., a diversified manufacturer that is now developing solar collector panels and photovoltaic cells.

Its \$10-million solar energy research program, which began in 1973, is beginning to pay off. In its second commercial year, solar panel sales for domestic hot water systems marketed through Sears, Roebuck increased at a rate of 25 percent a month during the first half of 1981.

Although only a small fraction of Ametek's overall business comes from its solar panels — an estimated 2 percent of sales in 1981 — the company is making a profit on them while other companies, such as Grumman and Olin, are apparently dropping out of the market, analysts say.

Leader in Electric Motors
Ametek is familiar with computers and photocopiers. Through its Lamb Electric division, it is the leading manufacturer of electric motors for business machines and home appliances. It is also the No. 1 supplier of pressure and temperature instruments for aircraft, through U.S. Gruga.

Sales last year from these and 2,000 other products topped \$400 million, up from \$393 million in 1979, with profits of \$21.6 million, down from \$22.4 million. This year, earnings were up 22 percent in the first half, to \$14.1 million, on sales of \$226.9 million, up 10.9 percent.

Last April, Ametek received two patents on its photovoltaic device that generated positive reaction from Wall Street.

Commercial production is still more than a year away, according to Robert L. Noland, Ametek's president. But laboratory reports continue to be excellent. The company's cell, made from relatively inexpensive cadmium and tellurium, could be as much as seven times cheaper to produce than a similar silicon cell, the common photovoltaic material. But silicon's efficiency in converting sunlight into electricity is about twice that of Ametek's cell.

About 10 U.S. firms and a few foreign companies have joined the search for the proper combination of price and efficiency. The reward is a market that, although \$50 million today, could jump to \$30 billion a year by the end of the century, according to a Department of Energy official.

Eastern Debts Studied
VIENNA (Reuters) — Poland, Romania and East Germany will face growing problems with their Western debts between now and 1985, the Vienna Institute for Comparative Economic Studies reported Friday.

Poland's debt problems are so complex that its economic troubles may not be solved before the end of the decade, the Institute said in a statement previewing a study of East-bloc debt.

"There are signs that too short a payments delay will be allowed in the rescheduling negotiations this year. Thus, there could be further problems by the mid-1980s," it said.

Debts for the whole bloc should rise to between \$100 billion and \$130 billion by end 1985 from \$68 billion at end 1979, it said.

Short-Term Difficulties
Romania has a relatively light debt burden but suffers from short-term payments difficulties due to lack of liquidity, the institute said, adding, "under certain conditions, especially as a result of unsolved oil-supply problems, Romania's position could worsen seriously in the next few years."

But, the study added, "because of the alarming imbalance in the domestic economy, the situation could become catastrophic if Romania were to be forced by its Western creditors abruptly to cut back its imports and thus drastically slow down its economic growth."

The study said East Germany's indebtedness could grow worse than Romania's if it does not give up its ambitious growth plans for this five-year period.

The Soviet Union and Czechoslovakia should have little or no problem with their Western debts through 1985, while the indebtedness of Hungary and Bulgaria should change little.

The study said Western bankers have in the past overestimated the capacity of Communist planners to solve domestic economic problems.

Reagan Speech Leaves Bond Market in Air

(Continued from Page 9)
treating lower, the prime rate was cut as money-market rates eased, and the economy appears headed for a recession, which normally would allow the Fed to relax its credit reins.

With all of this as background, the effort to drive Eurobond coupons below 17 percent can be expected to slow.

For whatever reason, 17 percent appears to be the level at which retail investors — or more aptly Swiss portfolio managers — get excited. On the basis of the successful placement of such issues a week ago, managers tried forcing the rate, launching issues for prime credits bearing coupons of 16 1/2 percent. These issues were already running into rough weather last week and the outlook for this week has to be even bleaker.

The World Bank launched \$230 million of five-year notes (of which only \$130 million was marketed immediately, with the remainder to be tapped into the market as conditions warrant) and \$100 million of seven-year paper — both sold at par, bearing coupons of 16 1/2 percent. They were quoted Friday at 98 1/2.

2 Canadian Issues
Also priced at par was a \$40-million issue for the National Bank of Canada. These 6 1/2-year notes carry a coupon of 16 1/2 percent. The fact that interest is paid semi-annually raises the effective yield calculated on an annual basis to 17.06 percent.

Meanwhile, Canadian Imperial Bank of Commerce, which had been first to break the 17-percent

barrier, sold \$100 million of 10-year paper at par bearing a coupon of 16 1/2 percent. But these bonds finished the week at 97 1/2-98.

By contrast, Gulf States Overseas Finance was able to increase the size of its issue to \$60 million from the indicated \$50 million. Priced at par bearing a coupon of 17 1/2 percent, the seven-year paper ended the week at 98 1/2-99 1/2.

Genstar, which sold \$75 million of eight-year paper at par bearing an annual coupon of 17 percent, ended the week quoted at 98 1/2.

The calculator of floating rate notes increased sharply last week.

Issues Tied to Interbank Rate
Lloyds Eurofinance, the subsidiary of the British clearing bank, offered \$150 million of 12-year notes carrying a coupon set at a quarter-point over the average of the bid-offered interbank rate and promising that this would never be set lower than 5 1/2 percent.

The financing subsidiary of the British-based Co-Operative Bank launched \$30 million of 10-year notes offering terms identical to Lloyds, as is Bergen Bank of Norway, which is seeking \$25 million for 10 years. Holders of the Bergen paper will have the option to request redemption after the seventh year.

Two private-sector Mexican companies are tapping this market and a third issue is expected soon. Industrias Penoles, a mining and chemicals company that is the biggest producer of silver in the world, is seeking \$60 million. The notes are being sold with an eight-year maturity, but holders will have the option of seeking redemp-

tion after the fifth year. The company is offering a coupon set at 3/4 point over the London interbank rate and guarantees a minimum coupon of 10 percent. The issue has an impressive array of 18 managers, including Deutsche Bank and Dresdner Bank, who rarely underwrite floaters. To assure a good performance in the secondary market, a purchase fund operating in the first year will redeem up to 10 percent of the issue if the price falls below par.

Grupo Industrias Saltillo, which is in the automotive, construction and home furnishings business, is seeking \$25 million for seven years. The coupon will be set at 3/4 point over Libor, and a minimum of 9 percent is guaranteed.

Cydsa, a Mexican plastics manufacturer, is expected to tap the market for \$50 million.

Convertible Issues Shunned
With stock prices worldwide plunging last week, issues convertible into common stock were shunned. Three Japanese issues, priced at par bearing coupons of 3 1/2 percent, were sold: Sumitomo Realty (convertible into shares at 316 yen, a premium of 2.3 percent, and at a fixed exchange rate of 228.35 yen to the dollar), Fuji Electric (convertible at 317 yen at a fixed rate of 228.35 yen per dollar) and Fujisawa Pharmaceutical (convertible at 1,143 yen, a premium of 5 percent, at a fixed rate of 229.60 yen per dollar). All three bonds ended the week trading in the low 90s.

Bankers report no new Japanese convertibles on offer, although Mitsubishi Electric is expected to

seek up to \$100 million. Planned issues for Tokyo Department Stores and Tokyu Corp. have been postponed.

Canadian Offering Is Reduced
Nippon Seiko, however, is offering \$20 million of convertibles. Aiga of Sweden sold \$30 million of 15-year convertibles bearing a semi-annual coupon of 9 1/2 percent. Investors have the option to redeem the bonds for cash at a guaranteed price of \$1,300 for each nominally valued \$1,000 bond, which would raise the effective yield to 14.3 percent. Despite this, Aiga ended the week at 96 1/2 after having been sold at par.

Despite the high coupon offered on issues denominated in Canadian dollars, Canada's Federal Business Development Bank had to cut the planned size of its five-year issue to 40 million Canadian dollars from the intended \$0 million. The paper was sold at 99 1/4 bearing a coupon of 17 1/2 percent.

The only lousy sector of the market last week was Deutsche mark denominated issues, but this may be short-lived following Friday's report of an August trade deficit and a widening current-account deficit. The dollar rise against the mark will also have an adverse impact.

DM Issues
Nevertheless, with domestic interest rates declining and demand sparked by a belief that the peak has been passed, three issues have been scheduled.

Bank of America sold 75 million DM of seven-year paper at par bearing a coupon of 10 1/4 percent. The issue was quoted at 99 1/4 on Friday.

Two other issues, both for 100 million DM, are scheduled — a non-European bank Oct. 7 and a foreign state Oct. 10. Two issues for supranationals are to be launched, although these are not included in the official queue. The Asian Development Bank will seek up to 100 million DM at month's end and the World Bank will place up to 150 million DM.

Elsewhere, the European Investment Bank is planning to launch an eight-year issue of 45 million European currency units bearing a coupon of 14 1/2 percent and carrying a warrant to purchase an additional amount of 5-year paper bearing a coupon of 14 percent. Banque Nationale de Paris is lead manager.

Congressional Resistance
Mr. Reagan has stopped short of saying that the United States would oppose the IMF loan to India. But he crisply suggested that the IMF was in danger of becoming a concessional loan agency.

World Bank President A.W. Clausen, very much a man of the private sector, is basically sympathetic with the Reagan administration's pitch for working hand-in-hand with the commercial banking system, especially for cofinancing of projects. But he is trying to convince the administration that the private sector cannot do it all, nor can bilateral aid be a total substitute for the nonpoliticized benefits of multilateral aid.

Mr. Clausen is also trying to increase the World Bank's leverage by liberalizing the bank's antiquated "gearing ratio," which now limits loans, dollar for dollar, to the amount of capital.

U.S. Policy Seen Causing Friction in IMF

(Continued from Page 9)
stead to Canadian Finance Minister Allan J. MacEachan. The United States concluded that IMF Managing Director Jacques de Larosiere had supported Mr. MacEachan, supposedly more in tune than Mr. Howe with Third World demands.

The Interim Committee, the IMF's 22-member steering group, met Sunday to lay the ground for the formal meeting.

At the IMF, there is a suspicion that the U.S. attack is designed to make clear first that the United States intends to hang tough in its resistance to a new issue of special drawing rights, the paper money created by the IMF; and second, that Third World nations should lower their expectations of movement by the United States at the North-South summit in Cancun, Mexico, on Oct. 22 and 23.

At the Ottawa summit, U.S. officials had voiced the fear that "global negotiations," as demanded by the Third World, would be accompanied by a proposal for what the United States would regard as a huge and inflationary issue of SDRs. To be convinced of the wisdom of a new issue of SDRs, Mr. Reagan said this week, the United States would have to

see inflation abating throughout the world.

That conclusion was endorsed over the weekend by the rich nations that form the Group of Ten, meeting here to seek common positions before the IMF-World Bank conference. Mr. Reagan was named as the group's new chairman.

Their conclusion was in direct opposition to a communique from the poor nations' Group of Twenty-Four, which demanded an annual issue of nearly \$15 billion worth of SDRs, and accused the rich nations of being insensitive to the poor. The group's chairman, Cesar Virarata, who is premier and finance minister of the Philippines, made the suggestion that less-fortunate nations might have to consider withdrawing from the IMF.

The United States also appears to be making an effort to put the brakes on a scheduled \$5.5 billion loan to India, the biggest in IMF history — which according to IMF insiders is being made "without agonizing conditions."

The ability of some of the larger and more advanced of the developing nations to tap the resources of the IMF and World Bank at a time when it is difficult to get the Congress to come up with aid money clearly irritates the United States. Oil-rich Mexico was the largest

borrower last year from the World Bank; the U.S. government asks why Mexico should not be required to rely more on the private market. At the same time, it thinks some other nations should be "graduated" — that is, moved from the soft-dollar window to the hard-dollar window of the lending agencies.

Market Turnover
Week Ended Sept. 25 (Millions of U.S. Dollars)
Total Dollar Equivalent
Cedel 3,296.4 2,664.2 632.2
Eurocl. 4,689 4,451.3 237.7

Euromarket Yields*
Week Ended Sept. 23 (U.S. Dollars)
International institutions 15.50 %
Industrials, long term 15.69 %
Industrials, medium term 16.48 %
Canadian dollars, medium term 17.65 %
French fr. medium term 18.43 %
Unit of acc. long term 12.21 %
* Calculated by Lombard Securities Exchange

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- Minimum deposit equivalent \$500.
- Withdrawals in any amount can be effected on maturity of the agreed notice.
- Interest paid or credited half yearly.
- Amounts quoted are based on 1 year fixed time deposits.
- All interest paid is net and without deductions (taxes, etc.) of source.
- All transactions confidential.
- Deposits are unconditionally guaranteed.
- Write to Manager for further information.

DOLLAR (Can.)	19 %
PESETA (Spain)	19 %
DOLLAR (U.S.)	18.50%
STERLING (£)	15.75%
FRANK (France)	17.50%
MARK (Germany)	12.75%
FRANK (Swiss)	7 %

NO TAX

Swiss Banking Society
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Europe House
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Tel.: 72544. Telex: 2277 STRANS GK

This announcement appears as a matter of record only September, 1981

NMB

Nippon Miniature Bearing Co., Ltd. (Nippon Miniature Bearing Kabushiki Kaisha)

8,000,000 Shares of Common Stock
(par value ¥50 per share)

represented by European Depositary Receipts

ISSUE PRICE U.S. \$3.033 PER SHARE

Daiwa Europe Limited
Baring Brothers & Co., Limited
Compagnie de Banque et d'Investissements, CBI
LTCB International Limited
Salomon Brothers International

Banca del Gottardo
James Capel & Co.
Cazenove & Co. (Overseas)
Hoare Govett Ltd.
Vickers da Costa International Ltd.

Berliner Handels- und Frankfurter Bank
Car, Sebag & Co.
Robert Fleming & Co. Limited
Société Générale
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Our services range from opening a simple account to the management of your portfolio — and include all securities and foreign exchange operations as well as deposits of Euro-currencies. We also participate in the issuing of Euro-bonds and the granting of Euro-credits.

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In choosing Banque Générale du Luxembourg, you participate in all the advantages deriving from a Luxembourg banking location and you benefit from the services of one of the most important Luxembourg banks.

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International Bond Prices - Week of Sept. 24

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

Table of international bond prices with columns for Country, Security, Maturity, Price, and Yield. Includes sections for Australia, Canada, Europe, Japan, and the United States.

Table of convertible bonds with columns for Country, Security, Maturity, Price, and Yield. Includes sections for Europe and the United States.

FOR A MAXIMUM RETURN ON TIME INVESTED.

International Herald Tribune

Table of American Exchange Options with columns for Option, Price, and Close. Includes a section for 'Highest Current Yields' on convertibles.

Table of American Exchange Options with columns for Option, Price, and Close. Includes a section for 'Explanation of Symbols'.

Advertisement for Cariplo bank featuring an image of an Alfa Romeo car and text describing the bank's services and success in Lombardy.

Over-the-Counter

Table of stock prices for various companies, including IBM, AT&T, and others, with columns for bid, ask, and volume.

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Yount's 3-Run Homer in 9th Beats Tigers

The Associated Press
DRETTON — Robin Yount hit a three-run homer Friday to give the Milwaukee Brewers an 8-6 victory over the Detroit Tigers.

McGregor fired a six-hitter, striking out a career-high 11, as the Orioles defeated the Yankees, 1-0. The only run of the game scored on a single by Rich Dauer in the fifth inning.

In Oakland, Calif., Greg Luzinski and Chet Lemon homered as Chicago beat the A's, 5-2.

In St. Louis, Eddie Solomon won his eighth game and singled home the tie-breaking run during a four-run Pittsburgh rally in the fourth inning, leading the Pirates over the Cardinals, 5-4.

Major League Baseball Line Scores

Table of Major League Baseball line scores for various games, including Philadelphia vs Chicago, Detroit vs Milwaukee, and others.

Chicago Exchange Options

Table of Chicago Exchange Options for the week ending September 25, 1981, listing various options and their prices.

Results of Saturday's College Football Games

Table of results for Saturday's college football games, listing teams and scores.

More Sports

Table of more sports results, including tennis and other events.

Table of Mutual Funds, listing various funds and their performance metrics.

Table of Escorts & Guides, listing various services and their contact information.

Table of Escorts & Guides, listing various services and their contact information.

NEW YORK (AP)—Weekly Over the Counter stocks showing the high, low and last bid prices for the week with the net change from the previous week's last bid prices. All quotations supplied by the National Association of Securities Dealers, Inc. are not actual transactions but are representative interdealer prices of which these securities could have been sold. Prices do not include retail markups, commissions or discounts. Sales stated by NASD.

Sales in 100s	High	Low	Last	Net Chg
ALCOA	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
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ADVERTISMENT

THE NOMURA SECURITIES CO., LTD.
(CDR's)

The Board of Directors of The Nomura Securities Co., Ltd. announced that shareholders, who will be registered in the books of the Company on September 30th, 1981 (Tokyo time) will be entitled to receive a 3% free distribution of shares of its common stock.

Consequently, the undersigned designated dividend of 22 of the CDRs for the 3% free distribution and dividend of 23 for the additional 2% free distribution. In Japan the shares are traded ex bonus as from September 26th, 1981.

ADVERTISMENT

SEKISUI PREFAB HOMES LIMITED
(CDR's)

The undersigned announces that the Annual Report 1980 of Sekisui Prefab Homes Limited, will be available in Amsterdam at Amsterdamsche Rotterdams Bank N.V., Pieter van der Hoeve N.V., Bank Mees & Hope N.V., Pierson, Holding & Pierson N.V., Kas-Associatie N.V.,

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Short Term 'B' Units
Invested in instruments denominated in the SDR currencies and Swiss Francs with maturities less than 12 months.

Long Term Units
A balanced portfolio of Eurobonds and Euroconvertibles.

AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, 22nd September 1981.

AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, 11th September 1981.

Gold Options (prices in \$/oz.)

Price	Nov.	Feb.	May 1982
430	23.20-24.30	22.00-24.00	20.00-22.00
450	23.20-24.30	22.00-24.00	20.00-22.00
470	23.20-24.30	22.00-24.00	20.00-22.00
490	23.20-24.30	22.00-24.00	20.00-22.00
510	23.20-24.30	22.00-24.00	20.00-22.00

VIQUO INTERNATIONAL N.V.
U.S. \$50,000,000.00
Floating Rate Notes due 1986

For the six months, September 23, 1981, to March 22, 1982, the notes will carry an interest rate of 17.75% per annum.

The interest due March 23, 1982, against coupon NP 6 will be US\$89,254 and has been computed on the actual number of days elapsed (181) divided by 360.

The Principal Paying Agent: SOCIÉTÉ GÉNÉRALE ALCAZAR DE BANQUE 15, Avenue Emile-Bauleux, LUXEMBOURG.

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(CDR's)

The undersigned announces that the Annual Report 1981 of Makita Electric Works Ltd. will be available in Amsterdam at Pierson, Holding & Pierson N.V., Algemeene Bank Nederland N.V., Amsterdamsche Rotterdams Bank N.V., Bank Mees & Hope N.V., Kas-Associatie N.V.,

ADVERTISMENT

AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, 11th September 1981.

ADVERTISMENT

FOSECO MINSEP LIMITED
(CDR's)

The undersigned announces that on October 2nd, 1981 an Extraordinary General Meeting will be held at which a resolution will be proposed to increase the authorized share capital of the Company from £2,500,000 to £3,500,000 by the creation of 25,000,000 new ordinary shares of 50p each.

ADVERTISMENT

AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, 22nd September 1981.

Over-the-Counter

Sales in 100s	High	Low	Last	Net Chg
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4

Sales in 100s	High	Low	Last	Net Chg
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4

Sales in 100s	High	Low	Last	Net Chg
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4

Consolidated Trading Of AMEX Listings

Week Ended Sept. 25, 1981

Sales	High	Low	Last	Chg
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4
Alcoa	28 1/2	27 3/4	27 3/4	-1/4

Treasury Bills

1981-1981	1981-1981	1981-1981	1981-1981
13-1/2	13-1/2	13-1/2	13-1/2
14-1/2	14-1/2	14-1/2	14-1/2
15-1/2	15-1/2	15-1/2	15-1/2
16-1/2	16-1/2	16-1/2	16-1/2
17-1/2	17-1/2	17-1/2	17-1/2

Skywalk Collapse At Missouri Hotel Called Inevitable

The Associated Press

KANSAS CITY, Mo. — Two suspended walkways that collapsed onto a crowded hotel dance floor probably would have fallen under their own weight eventually, according to two engineers.

The engineers said in a copyright story in the Saturday editions of the Kansas City Times that the Hyatt Regency Hotel skywalks did not meet steel industry stress standards. The collapse July 17 on killed 113 persons and injured nearly 200.

The engineers were retained by the newspaper to study government data on the walkway debris. They concluded that the second- and fourth-floor walkways probably would have fallen at some time, regardless of whether anyone was on them. A third walkway did not collapse but was on its way to collapsing, they said.

National Bureau of Standards estimated the weights of the skywalks Sept. 3. The weight exceeded stress standards established by the steel industry, said Bogdan O. Kuzmanovic, an engineering professor at the University of Kansas. Mr. Kuzmanovic said the weight of the skywalks placed too much pressure on connections suspending the fourth-floor skywalk from the roof, gradually forcing the connections to bend and fail.

Neal Fitzsimons, chairman of the Failed and Damaged Structures Committee of the American Society of Civil Engineers, studied and verified Mr. Kuzmanovic's findings, the newspaper said.

U.S. Train Being Dropped

The Associated Press

CHICAGO — Amtrak, the U.S. rail passenger service, has announced that it will discontinue the Cardinal, its Washington-Cincinnati-Chicago train, effective Oct. 1, because it failed to meet congressionally mandated ridership levels.

International Bank for Reconstruction and Development

Dfls 150,000,000
12 3/4 per cent. Dutch Guilder Notes of 1981, due 1986
Annual coupons October 1

Algemeene Bank Nederland N.V.

Amsterdam-Rotterdam Bank N.V. Deutsche Bank Aktiengesellschaft
Bank Mees & Hope NV Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)
Pierson, Holding & Pierson N.V. Nomura International Limited
Salomon Brothers International

September 1981

SENIOR EXECUTIVE POSITIONS

Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to *Janita Caspari in Paris.*

POSITION	SALARY	EMPLOYER	LOCAT.	QUALIFICATIONS	CONTACT	Source
MEDICAL DIRECTOR Middle East	Attractive	Int'l pharmaceutical co.	Rome	Qual. physician with exp. in pharma. int'l. Must exp. in trans; mktg.-oriented; 35-45.	General Manager, Bristol & Myers Int'l S.R.L., Via Arm 11/9, 00158 Rome.	I.H.T. 17-9-81
INTERNATIONAL MARKETING Managers	Open	International known co. (Business equipment field)		Aggressive self-starter; dominant success in mktg. & support of dealer/distrib. mktg. plans for manufacturers.	Box B 1821, International Herald Tribune, 62521 Nantux, France.	I.H.T. 17-9-81
REGIONAL PRODUCTION DIRECTOR		Major Business Firm.	Sweden	Exp. in public industry; Eng. + a Scandinavian lang.; Swedish nat. an advantage.	Charles L. Dawson, Messers Parsons Corp. U.S., Postfach 6880, Rindshofen, (Ger. L.)	I.H.T. 17-9-81
OVERSEAS SALES MANAGER		Oil Machine & Tool Corp.		Successful track record specifically in overseas distrib. 50% + travel; tech. exp.; Eng. +.	Vice President, Oil Machine & Tool Corp., 3485 Central St., Bronx, New York 10472.	I.H.T. 17-9-81
MATERIAL CONTROL SUPERVISOR	ES\$2,700 to \$3,400 per month.	Amerasia Dress Oil Corp. of Abu Dhabi.	Abu Dhabi	Exp. in mech. engineering; training in material control; Arabic, Eng. & exp. material handling; pref. oil ind.	The Secretary, Recruitment Committee, Dept. of Petroleum, P.O. Box 8, Abu Dhabi, U.A.E.	I.H.T. 17-9-81
GENERAL COUNSEL		Int'l Chamber of Commerce (Court of Arbitration)	Assigned Paris	Thorough knowl. & exp. of private int'l law & dispute settlement procedures; Eng., Fr.; free to travel.	The Secretary-General, Int'l Chamber of Commerce, 38 Cours Albert 1 ^{er} , 75008 Paris.	Essentially 19-9-81
PROJECT MANAGER		Mittleres Unternehmen (Industrie)	Syria	Kaufmännische Projektarbeiten; Erfahrung Mittelmeer Ostern, Deutsch, Englisch.	Personal & Management Beratung Weitzel (Industrie) GmbH Postfach 40100, 4000 Essen, Tel. 0212/211878 Deutschland.	Frankfurt 19-9-81
REGIONAL FINANCIAL CONTROLLER	High	Int'l co. (Natural resources)		Exp., Fr.; 1st hand understand. & exp. of operating in transnational context; MBA with 10 yrs. related exp.	Project L 154, Colwell Partners Int'l, 24 Buckingham Gate, London SW1, Tel. 01-4347966.	I.H.T. 19-9-81
GENERAL DIRECTOR	S.Fr. 300,000	Progressive banking group.	Zurich/Geneva	Five years general banking; exp. mktg. bank; Eng., Fr. exp.; 40-45; Swiss citizen.	I.E. Bankers, Manager Promotion, 52 Ave. de la Gare, CH-1001 Lausanne, Tel. 021/2131314.	I.H.T. 19-9-81
HEAD OF OPERATIONS/CONTROL		The First National Bank of Boston	Frankfurt	Knowl. of U.S. & German acctg.-methods, tax laws & banking exp.; Eng. exp.	James F. French, The First National Bank of Boston, 100 Federal St., Boston MA 02110.	I.H.T. 19-9-81
GENERAL MANAGER	£20,000 + bonus	Motor trade.	Cairo	Exp. managers who have operated successful sales/service franchises; 35-50; exp. working in 3rd world countries; exp. Arabic.	Peter Elwell, ref. FM/183, Motor Trade Solutions, 67 August St., London W1.	Sunday Times 20-9-81
P.R. & ADVERTISING MANAGER		The Hong Kong & Shanghai Banking Corp.	Hong Kong	35-40; grad. exp. & proven ability in all aspects of P.R. & advertising; working knowl. of Hong Kong & Asia.	A.M. Gault, Int'l Recruitment Centre, The Hong Kong Bank Group, 90 Robinson Rd., London EC2.	Sunday Times 20-9-81
PRINCIPAL ENGINEER, Aerodynamics			Paris	Several yrs. exp. industry or institute with applied vehicle aerodynamics; pref. in supervisory position; Eng., Ger.	Management Affairs Activity (2/1981) Ford-Mercedes Automobiles, Postfach 210369, D-5088 Köln 21.	Le Monde 22-9-81

USC Beats Oklahoma in Final Seconds

7-Yard Touchdown Pass Gives Trojans a 28-24 Comeback Victory

LOS ANGELES — Southern California, seemingly whipped by Oklahoma's wishbone offense, got up from the Coliseum grass to win in the final two seconds Saturday, 28-24, on a 7-yard touchdown pass from John Mazur, the sophomore quarterback, to tight end Fred Cornwell.

The comeback sustained USC's ranking as the top college football team in the country, Oklahoma, second in both wire service polls, led early in the fourth quarter, 24-17.

The Trojans are unlikely to meet another team as quick-striking as the Sooners until they play them in Oklahoma next year. This year's visitors piled up 307 yards rushing and showed a surprising passing attack, then faded at the end.

It seemed for a while that Oklahoma would run away with the game, but the wishbone is a mistake-prone offense, with many backs handling the ball. Oklahoma fumbled 10 times, losing five. The Trojans didn't have a turnover.

USC tailback Marcus Allen rushed for 208 yards on 39 carries and scored two touchdowns. He has rushed for 200 or more yards in three straight games, tying an NCAA record held by four other backs. Mazur, in his first pressure game as USC's new starting quarterback, completed 13 of 25 passes for 149 yards and two touchdowns.

Always Moving

Oklahoma, always on the move, had only two fourth-down situations in the game — in the second quarter when the Sooners settled for a field goal and a 17-7 lead, and late in the fourth when they were protecting a 24-21 lead and needed to control the ball.

They punted for the first time then, and Tim Shannon made a fair catch on the USC 22. There were 4½ minutes left.

Allen and Todd Spencer punched out a first down, then Allen ripped off 19 yards. On second down he got 18, but the run was nullified for holding. Mazur, who had looked unsettled earlier, now seemed to split end Jeff Simmons, who made a tough catch on the sideline for 26 yards.

A few plays later Mazur got another first down by sneaking for 2 yards on fourth-and-one to the 24. Then Mazur threw a third-down strike to Malcolm Moore for 15 yards and the Trojans were first-down goal on the Sooner 7 with 17 seconds left. Allen made a diving try but couldn't hold Mazur's first-down pass in the end. On second down, Allen was open in the end zone but Cornwell, running a deuce pattern, inadvertently tipped the ball away.

Coach John Robinson called the first-down play from the sidelines. Ince again Allen went over the middle, but he was jammed by the Oklahoma defense. Mazur, getting good protection, couldn't spot an open receiver and started to run to the corner. Realizing he wouldn't outrun the Oklahoma pursuit, he pulled up just as Cornwell was coming open in the end zone.

It was Cornwell's second catch at USC. The 6-foot-5-inch, 234-pound junior, starting for the first time this season, was mobbed by

his teammates. He was still gripping the ball to his chest half a hour later in the locker room.

This was only the 10th loss for Oklahoma's coach, Barry Switzer, in his nine seasons at the school. The game was watched by a Coliseum crowd of 85,651 and a national television audience.

Michigan 21, Navy 16

In Ann Arbor, Mich., Navy gave Michigan a scare Saturday, but the Wolverines held on for a 21-16 victory before 105,213 at Michigan Stadium. After Michigan took an early 14-0 lead, Navy's Steve Fehr kicked three field goals and an extra point and quarterback Marco Pagnanelli scored on a 22-yard run in the last play of the third quarter. Fehr's third field goal, a 45-yarder, closed the deficit to 21-16 with 8:52 to play.

The Midshipmen moved to the Michigan 23 with a first down with 3:12 to play. But Pagnanelli was blitzed and sacked for an 8-yard loss, and Navy never got any closer.

The Wolverines outweighed the Midshipmen by nearly 20 pounds a man on both lines.

Michigan's Butch Woolfolk gained 117 yards on 25 carries, scoring a touchdown, and quarterback Steve Smith scored an early touchdown and passed for another. "We wanted to put more points on the board and we tried, but they just kept hitting us harder and harder," Smith said.

Penn State 30, Nebraska 24

In Lincoln, Neb., Penn State placekicker Brian Franco booted

two field goals, missing none, and tailback Curt Wagner rushed for 238 of his team's 327 yards in a 30-24 victory over Nebraska.

Texas 14, Miami (Fla.) 7

In Austin, Texas, quarterback Rick Melvor lofted a 45-yard scoring pass to wide receiver Donnie Little as Texas defeated Miami, 14-7. Sprinter Herkie Walls, the other Texas wide receiver, caught a 58-yard pass from Melvor to set up the first Longhorn touchdown.

Purdue 15, Notre Dame 14

In West Lafayette, Ind., quarterback Scott Campbell passed for 246 yards, including a 7-yard touchdown pass and a two-point conversion to flanker Steve Bryant with 19 seconds to go, giving Purdue a 15-14 upset of Notre Dame.

Georgia 24, South Carolina 0

In Athens, Ga., defending national champion Georgia bounced back from its first loss in 22 months — to Clemson the previous Saturday — for a 24-0 victory over South Carolina. Georgia erupted for three second-half touchdowns, two of them by tailback Herschel Walker, who gained 176 yards.

Iowa 20, UCLA 7

In Iowa City, UCLA was upset by Iowa, 20-7, thanks to two field goals by freshman Tom Nichol, a fumble recovery in the end zone by defensive tackle Mark Bortz and a 16-yard touchdown run by quarterback Pete Gales. Hayden Fry, after his 100th career coaching victory, said: "Any time you beat UCLA in anything, even ping-

pong, with the great program they have, it's great."

Ohio State 24, Stanford 19

In Stanford, Calif., Art Schlichter passed for two touchdowns as Ohio State built an 18-point lead, and the Buckeyes held on for a 24-19 victory over Stanford. Stanford's quarterback, John Elway, threw a pair of touchdown passes early in the final quarter before reinjuring an ankle.

Alabama 28, Vanderbilt 7

In Nashville, Tenn., Alabama's Benny Ferrin returned an interception 78 yards for one touchdown and Russ Wood scooped up a fumble and went 33 yards for another as the Crimson Tide's defense stifled Vanderbilt, 28-7.

Brigham Young 41, Colorado 20

In Boulder, Colo., Jim McMahon passed for 263 yards and three touchdowns before leaving the game in the third quarter with a knee injury, and Brigham Young routed Colorado, 41-20.

Mississippi State 28, Florida 7

In Jackson, Miss., star rusher Michael Haddix carried only three times in the first half but scored on runs of 10 and 4 yards after perfect pichouts from quarterback John Bond, and Mississippi State went on to beat Florida, 28-7.

Washington 17, Oregon 3

In Eugene, Ore., sophomore Stewart Hill blocked a punt and Vince Newsome returned it for the only touchdown. Washington needed to down Oregon, 17-3.



Michigan quarterback Steve Smith twisting through the Navy line on a 2-yard keeper in the second quarter to score the Wolverines' second touchdown in their narrow 21-16 victory.

Browns Hand Falcons

Their First Defeat as Sipe Passes for 2 TDs

CLEVELAND — Quarterback Brian Sipe passed for two touchdowns and ran for a third, all late in the first half, as the Cleveland Browns erased a 10-point deficit Sunday and sent the Atlanta Falcons to their first defeat, 28-17, in a National Football League game.

Sipe completed 21 of 34 pass attempts for 215 yards, and fullback Mike Pruitt added a pair of touchdowns while rushing 21 times for 98 yards.

Cleveland, trailing 10-0, scored its first touchdown with 6:39 left in the half when Pruitt took a short Sipe pass and fought 13 yards into the end zone.

Atlanta's Reggie Smith then fumbled a punt away at the Browns' 27, and three plays later Sipe hit Ozzie Newsome with a 23-yard scoring pass.

Seconds later, Cleveland linebacker Robert L. Jackson forced a fumble by Atlanta receiver Alfred Jenkins and the Browns, aided by a 30-yard pass-interference call, scored on Sipe's 1-yard bootleg run with 10 seconds left in the half.

Pruitt clinaxed a 71-yard march at the start of the second half with a 1-yard touchdown run that put the Browns ahead by 28-10. Atlanta came back on a 5-yard touchdown reception by Jenkins, set up by his own 56-yard catch.

Steelers 27, Patriots 21

In Pittsburgh, Terry Bradshaw threw a 24-yard touchdown pass to Lynn Swann with 3:19 elapsed in overtime to lift the Steelers to a 27-21 victory over New England.

The Patriots tied the score at 21-21 with 24 seconds left in regulation play when quarterback Matt Cavanaugh threw a 12-yard touchdown pass to Stanley Morgan.

The Steelers then drove to the Patriots' 30-yard line with two seconds left, but Dave Trout missed a 48-yard field goal at the gun.

The Patriots won the toss and received the kickoff in overtime, but they were forced to punt and Pittsburgh took possession at midfield. Bradshaw hit Swann with a 14-yard pass, then threw an 8-yarder to tight end Benne Cunningham. Frank Follard ran 4 yards for a first down before Swann caught the decisive pass, beating cornerback Ray Clayborn in the corner of the end zone.

Bengals 27, Bills 24

In Cincinnati, Ken Anderson fired three touchdown passes and Jim Breech kicked a 25-yard field goal with 5:27 left in overtime as the Bengals edged Buffalo, 27-24.

Anderson, who rallied the Bengals from a 21-10 deficit in the fourth quarter, hit four of five pass attempts in a 70-yard drive to the winning field goal on Cincinnati's first possession in the overtime.

Overall, Anderson completed 28 of 40 passes for 328 yards.

Buffalo's Nick Mike-Mayer kicked a 40-yard field goal with one second left in the fourth quarter to send the game to overtime.

Dolphins 31, Colts 28

In Baltimore, Uwe von Schamann kicked a 28-yard field goal with 1:02 remaining to give unbeaten Miami a 31-28 victory over the Colts.

David Woodley completed 19 of 30 passes for 309 yards and two touchdowns for the Dolphins, and rookie Andra Franklin ran for two other Miami scores.

Baltimore's Bert Jones passed for three touchdowns, but an apparent game-winning toss of 47 yards to Ray Butler with 31 seconds remaining was nullified by a holding penalty.

Vikings 30, Packers 13

In Milwaukee, Tommy Kramer passed for two Minnesota touchdowns and defensive end Randy Holloway ran 45 yards with a recovered fumble for another score, leading Minnesota to a 30-13 victory over Green Bay.

The Vikings recovered two fumbles and sacked Packer quarterbacks Lynn Dickey and David Whitehurst eight times for 58 yards in losses. End Doug Martin had three of the sacks.

Minnesota's defensive charge offset seven receptions for 121 yards by John Jefferson in his first game for the Packers. They obtained the all-pro receiver in a trade with San Diego and signed him last Wednesday.

Eagles 36, Redskins 13

In Philadelphia, backup tailback Louis Giammona scored two touchdowns and the Eagles broke the game open with a 22-point blitz in the fourth quarter to record their fourth straight victory, a 36-13 decision over Washington.

Giammona, filling in for the injured Wilbert Montgomery, scored his second touchdown on a 1-yard run to cap a 74-yard, 15-play drive in the first 7:14 of the third quarter and gave the Eagles a 14-6 lead. But the Redskins drew within a point on John Riggins' 3-yard run with 10:29 left to play. The Eagles, however, pulled away with 22 points in the next 8:38.

Ryan Gets His 5th No-Hitter as Astros Beat Dodgers, 5-0

Expos Beat Mets For 7th in a Row

MONTREAL — Terry Francona had three hits in four at-bats to lead the Montreal Expos to a 4-2 victory over the New York Mets on Saturday night. It was the Expos' seventh straight triumph and kept them 2½ games ahead of St. Louis in the National League East.

Francona scored the go-ahead run off loser Greg Harris (3-5) in the second inning. He singled, moved to second base on Chris Speier's sacrifice and scored on Warren Cromartie's single.

Cardinals 5, Pirates 3

In St. Louis, Keith Hernandez tripped off the glove of center fielder Omar Moreno in the seventh to score Gary Templeton and give the Cardinals a 5-3 victory over Pittsburgh.

Reds 2, Braves 0

In Atlanta, Paul Householder hit a two-run homer to back the combined five-hit pitching of Bruce Berenyi and Tom Hume in leading Cincinnati won 2-0 over the Braves. Berenyi (9-1) struck out nine and surrendered five hits over seven innings. Hume pitched the final two innings, allowing no hits, to record his ninth save.

Giants 6, Padres 5

In San Diego, Jerry Martin's two-out single in the eighth brought in the winning run as San Francisco edged the Padres, 6-5. Jeff Leonard drove in five runs to give the Giants with a base-loaded triple and a two-run homer.

Brewers 4, Tigers 3

In the American League, in Detroit, Ben Oglivie hit a two-run homer to lead Milwaukee to a 4-3 victory over the Tigers that returned the Brewers to first place in the American League East. Milwaukee is a half-game ahead of Detroit and Boston.

Indians 7, Red Sox 5

In Boston, Rick Manning, Ron Hassey and Toby Harrah batted in two runs each to pace Cleveland's 7-5 victory over the Red Sox.

Yankees 6, Orioles 4

In New York, Bobby Murcer's 400-foot home run with two men on base in the bottom of the ninth



Nolan Ryan got a ride from his teammates after his no-hitter.

rallied the Yankees to a 6-4 victory over Baltimore.

A's 5, White Sox 1

In Oakland, Calif., Steve McCatty won his 14th game and Mickey Klutts hit two home runs to give the A's a 5-1 triumph over Chicago. The victory, combined with Kansas City's loss to Seattle, moved the A's a half-game ahead of the Royals in the American League West.

Angels 6, Blue Jays 3

In Anaheim, Calif., rookie Daryle Scott drove in three runs with a triple and infield single and Bobby Grich hit a two-run home

mer as the Angels beat Toronto, 6-3. Rod Carew of the Angels, returning after missing 13 days with head and shoulder injuries, singled for the 2,500th hit of his career.

Martins 4, Royals 2

In Kansas City, Mo., Terry Bulling's ninth-inning single brought in the third of four unearned runs for Seattle in its 4-2 victory over the Royals.

Twins 7, Rangers 3

In Bloomington, Minn., John Casiano hit a two-run triple with two out in the eighth to spark a four-run rally as the Twins defeated Texas, 7-3.

Walks Only 3 and Strikes Out 11

HOUSTON — Nolan Ryan set a major league record with the fifth no-hitter of his career, allowing only three walks as he pitched the Houston Astros to a 5-0 victory over the Los Angeles Dodgers on Saturday.

A running, one-handed catch by right fielder Terry Puhl of a ball hit by Mike Scioscia in the seventh inning stopped the Dodgers' only serious chance for a hit against the pitcher.

"It's hard to believe I got the no-hitter," said Ryan, who struck out 11. "It's the one thing I wanted. I've had a shot at it for a long time. At my age, I thought I wouldn't get it. I don't have the stamina I used to have. I didn't challenge guys in the later innings."

Ryan, 34, was tied with the Dodgers' Sandy Koufax for the most no-hitters in a career. All four of Ryan's came while he was with the California Angels, whom he left to sign with Houston as a free agent in November, 1979. In 1973, he threw no-hitters against Kansas City and Detroit. The next year, he pitched a no-hitter against

Minnesota, and he recorded his fourth no-hitter in 1975 against Baltimore.

Ryan also has thrown seven one-hitters. The major league record is 11, by Bob Feller.

"This is by far the most important of my no-hitters," Ryan said. "I went into the game feeling like I had to do a good job and this turned into one of the biggest games of the year. My others were with ballclubs that weren't doing well and I was still young and trying to get established."

Astros Keep Lead

The victory kept the Astros 1½ games ahead of Cincinnati in the race for the National League West second-half title. The Dodgers won the first half.

A crowd of 32,115 cheered Ryan's every pitch as he approached his historic achievement. He retired the final 19 batters.

In the final inning, Ryan (10-5) struck out pinch hitter Reggie Smith on three pitches for his 11th strikeout of the game. After Ken Landreau grounded out to Denny Walling at first base, Ryan ended the game by getting Dusty Baker to ground out to Art Howe at third.

"I really didn't feel like I had good velocity today," said Ryan, who leads the National League with a 1.74 earned run average, "but got ahead on my curve balls. The key was my curveball. You can't win with one pitch. It doesn't matter how fast you can throw, but with a curve they had to think about the breaking ball."

In the six years since his last no-hitter, he said, "I know there were several times I'd have a no-hitter in the late innings and I didn't have the stamina to get the rest of the hitters out. But today I felt strong in the late innings than I have in some time."

He added: "I really didn't think about the no-hitter. I knew I had one going. When the catcher [Scioscia] hit the ball and it was caught, I thought I might have a shot at it."

It was the third no-hitter in the major leagues this season. Len Barker of Cleveland threw a perfect game against Toronto on May 15, winning 3-0, and Charlie Lea of Montreal defeated San Francisco, 4-0, on a no-hitter May 27.

Major League Standings

AMERICAN LEAGUE			
	W	L	Pct.
East			
Milwaukee	27	19	.588
Boston	26	19	.576
Detroit	24	19	.558
Baltimore	24	22	.522
New York	22	24	.479
Cleveland	22	24	.479
California	19	23	.452
West			
Oakland	27	19	.588
Kansas City	24	21	.529
Minnesota	22	24	.479
Seattle	21	24	.465
Texas	19	24	.442
Chicago	18	27	.400
Colorado	18	28	.395
*First-half division winner			
NATIONAL LEAGUE			
	W	L	Pct.
East			
Montreal	27	19	.588
St. Louis	25	23	.522
Chicago	24	22	.522
Philadelphia	20	22	.476
New York	20	24	.452
Pittsburgh	18	27	.400
West			
Houston	27	16	.625
Cincinnati	26	19	.576
San Francisco	25	19	.568
Los Angeles	21	21	.500
San Diego	18	23	.438
*First-half division winner			

Transactions

- BASEBALL**
- CINCINNATI** — Signed Fred Hermon minor league pitching instructor.
- BASKETBALL**
- NATIONAL ASSOCIATION**
- ATLANTA** — Signed Clyde Brundage.
- DETROIT HUGOETS** — Signed Ken Hise, moved to a multiyear contract.
- INDIANA PACERS** — Signed Jerry Slonina, moved to a multiyear contract.
- FOOTBALL**
- NATIONAL FOOTBALL LEAGUE**
- LOS ANGELES RAMS** — Signed Don Pastorini, former back, to the Seattle Seahawks for an undisclosed draft choice.
- NEW ENGLAND PATRIOTS** — Traded Herka Lewis, former back, to the Seattle Seahawks for an undisclosed draft choice.
- SEATTLE SEAHAWKS** — Pleased Terry Miller, running back, moved to the Patriots.
- WASHINGTON REDSKINS** — Signed Coy Bacon, defensive end, signed Trent Brvant, cornerback.

More Sports On Page 13

Fifth Avenue Mile Proves to Be a Speedy One

NEW YORK — Sydney Marce, admittedly a horse on the run for the first time, won the inaugural Fifth Avenue Mile in 3 minutes 47.52 seconds.

Marce's performance Saturday was the second fastest ever in the mile, surpassed only by Sebastian Coe's world record, 3:47.33, set last month in Brussels. Marce could not have set the world mark, since records are confined to 400-meter tracks.

Mike Boy of Kenya, faster than ever at the age of 32, was second in 3:49.59. Thomas Wassinger of West Germany finished third in 3:50.48, with Steve Cram of Britain fourth in the 13-man field in 3:51.49.

But the race on one of the world's most famous streets may have been almost secondary to the event. "It's just a wonderful spectacle," said Eamonn Coughlan of Ireland, who faded in the final stages, troubled by head problems. The first mile ever staged on city

streets drew large crowds along the route. "They were cheering us all the way down," Coughlan observed. "It was like Bisclet Stadium in Oslo, where they cheer you around the track. When we got to the top of the hill, it was like a funnel." The hill is halfway into the race.

A fast pace contributed to Marce's time. The runners passed the first 440 in 53.2 seconds and the first half-mile, with Tom Byers in the lead, in 1:52.8.

"We ran very fast from the beginning," said Craig Massback, the former Princeton miler, who finished last. "I ran 53 and was next to last, so obviously something special was happening."

For Marce, Saturday's victory capped an amazing summer for the black South African runner, who now is a permanent resident of the United States as a result of his marriage to Lisa Rhoden of Philadelphia.

Was Unable to Compete

In the last three weeks, Marce has run successive miles of 3:48.83, beating Steve Overt, and 3:49.93. Until this summer, however, Marce had been unable to compete internationally because of his status as a South African, barred from international competition.

Leann Warren of the University of Oregon won the women's invitation mile in 4 minutes 25.31 seconds. Britt McRoberts of Canada was second in 4:28.34.

Chicago Is Finally a Winner — in Soccer

TORONTO — Midfielder Rudy Glenn ricocheted a shot off goalkeeper Hubert Birkenmeier Saturday night to lead the Chicago Sting to a 1-0 shootout victory over the New York Cosmos in the 1981 Soccer Bowl.

The victory, before a boisterous crowd of 36,971, made the Sting the champions of the North American Soccer League and provided the Windy City with its first professional sports championship in 118 years.

Glenn, who had but one assist in the Sting's nine playoff matches entering the game, took Chicago's final shot in the shootout and deflected a drive off Birkenmeier's hand into the New York goal.

Chicago's goalkeeper, Dieter Ferner, then smothered a shot by sweepster Bob Ivarus to give Chicago its first championship since the Bears captured the National Football League title in 1963.

Five Seconds to Shoot

Immediately after Ivarus's kick was caught, Chicago fans spilled onto the field and made a rectangular ring around the new champions, who held the silver Soccer Bowl trophy high into the air.

Midway through the second 7½-minute overtime period, midfielder Ingo Peter blocked a free kick by Chinghia, who was given the chance to score after Franck Mathieu tackled Seninho.

In regulation time, the Cosmos managed 12 shots and the Sting attempted eight, while both goalkeepers were credited with six saves each. The Cosmos increased their attacking ability by adding Paraguayan midfielder Julio Cesar Romero, which took some of the pressure off of Chinghia.

Springboks' Final Match In U.S. Held a Day Early

SCHENECTADY, N.Y. — South Africa beat the United States, 38-7, before about 50 spectators Friday afternoon in the third and last match of the Springboks' rugby tour.

The match was played on a private polo field in Glenville, north of here, with no demonstrators present. It had been announced for Saturday afternoon at an undisclosed site.

Thomas Selfridge, president of the Eastern component union of the U.S. Rugby Football Union, said he had "lied to the media only for the protection of everybody concerned."

The Eagles took a 4-0 lead when wing Lin Walton charged down a kick and raced 30 meters for a try. Aggressive forward play and power tackling kept the Eagles in the match in the first half, with the Springboks managing only a try by Ray Mordt and a conversion by Naas Botha, for a 6-4 lead.

But they took command at the restart, with Mordt getting the second of his three tries. Gerrie Germisbuys (twice), Burger Geldenhuys, Colin Beck and Thys Burger covered, and Botha added two conversions. The Eagle flyhalf Tommy Smith kicked a penalty.

The Springboks arrived in the United States from a three-

month tour of New Zealand marred by the most violent demonstrations in that country's history.

Anti-tour leaders were meeting to plan Saturday protests while the game was being played in secret. In on the secret were a Schenectady television station, the Schenectady Gazette, and Rugby magazine, but not South African reporters, who missed the game.

An anti-tour coordinator summed up: "They've had to play behind closed doors and run from reporters." Said tour manager Johann Claassen, "We came here to play a few rugby matches. We did it."

Since 1975 the Eagles have played five countries — Australia, France, England, New Zealand and South Africa — of the eight that run the amateur game worldwide.

Irvine Breaks World Record

EDINBURGH — Andy Irvine, Scotland's fullback and captain, became the highest scorer in the history of international rugby Saturday, as Scotland beat Romania, 12-6. The first of Irvine's four penalties gave him 208 career points, one better than the world record of New Zealand's Don Clarke.



Eagle wing Lin Walton breaking out of Springboks' grasp.

